

**WHOLESOME WAVE GEORGIA, INC.
A NONPROFIT ORGANIZATION
ATLANTA, GEORGIA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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TURNER & PATAT

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Wholesome Wave Georgia, Inc.

Opinion

We have audited the accompanying financial statements of the Wholesome Wave Georgia, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities 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 Wholesome Wave Georgia, Inc. as of December 31, 2022 and 2021, 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 Wholesome Wave Georgia, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wholesome Wave Georgia, Inc.'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, including omissions, 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.

1165 CEDAR SHOALS DR, ATHENS, GA 30605

1800 HOG MOUNTAIN ROAD, BLDG 700-101, WATKINSVILLE, GA 30677

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 Wholesome Wave Georgia, Inc.'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 Wholesome Wave Georgia, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Wholesome Wave Georgia Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 9, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Turner and Patat PC

CERTIFIED PUBLIC ACCOUNTANTS

Athens, Georgia

September 27, 2023

WHOLESOME WAVE GEORGIA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

| | <u>2022</u> | <u>2021</u> |
|---|--------------------------|--------------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 243,982 | \$ 578,795 |
| Receivables | | |
| Grants | 642,801 | 226,072 |
| Partner markets | 12,850 | 11,950 |
| Right-of-use asset | 35,638 | 32,662 |
| Prepaid expenses | 1,454 | 1,632 |
| Total Current Assets | <u>936,725</u> | <u>851,111</u> |
| Fixed Assets | | |
| Furniture and equipment | 8,455 | 8,455 |
| Website improvements | 4,500 | 4,500 |
| Less: accumulated depreciation | <u>(12,596)</u> | <u>(12,450)</u> |
| Net Fixed Assets | 359 | 505 |
| Other Assets | | |
| Security deposits | 2,836 | 2,836 |
| Right-of-use asset | <u>18,853</u> | <u>54,491</u> |
| Total Other Assets | <u>21,689</u> | <u>57,327</u> |
| Total Assets | \$ <u>958,773</u> | \$ <u>908,943</u> |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable | \$ 11,888 | \$ 31,294 |
| Accrued expenses | 58,852 | 15,023 |
| Lease liability | <u>35,638</u> | <u>32,662</u> |
| Total Current Liabilities | 106,378 | 78,979 |
| Long-Term Liabilities | | |
| Lease liability | <u>18,853</u> | <u>54,491</u> |
| Total Long-Term Liabilities | <u>18,853</u> | <u>54,491</u> |
| Total Liabilities | 125,231 | 133,470 |
| Net Assets | | |
| Without donor restrictions | 150,505 | 314,807 |
| With donor restrictions | <u>683,037</u> | <u>460,666</u> |
| Total Net Assets | <u>833,542</u> | <u>775,473</u> |
| Total Liabilities and Net Assets | \$ <u>958,773</u> | \$ <u>908,943</u> |

See independent auditors' report and accompanying notes to financial statements.

WHOLESOME WAVE GEORGIA, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total December 31, 2022</u> | <u>Total December 31, 2021</u> |
|---|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Support and Revenue | | | | |
| Donations | \$ 96,249 | \$ - | \$ 96,249 | \$ 121,501 |
| Event revenue | 116,703 | - | 116,703 | - |
| Private grants | 110,000 | 199,999 | 309,999 | 460,242 |
| Public grants | 689,264 | 500,000 | 1,189,264 | 655,065 |
| Forgiveness of Paycheck Protection Program Loan | - | - | - | 148,912 |
| Partner market contributions | 27,990 | - | 27,990 | 24,938 |
| Interest Income | 1,556 | - | 1,556 | 587 |
| Net assets released from restrictions | <u>477,628</u> | <u>(477,628)</u> | <u>-</u> | <u>-</u> |
| Total Support and Revenue | \$ <u>1,519,390</u> | \$ <u>222,371</u> | \$ <u>1,741,761</u> | \$ <u>1,411,245</u> |
| Expenses | | | | |
| Program Services | \$ 1,293,418 | \$ - | \$ 1,293,418 | \$ 742,597 |
| Supporting Services | | | | |
| Management and general | 156,869 | - | 156,869 | 112,870 |
| Fundraising | <u>233,405</u> | <u>-</u> | <u>233,405</u> | <u>155,311</u> |
| Total Expenses | \$ <u>1,683,692</u> | \$ <u>-</u> | \$ <u>1,683,692</u> | \$ <u>1,010,778</u> |
| Change in net assets | \$ (164,302) | \$ 222,371 | \$ 58,069 | \$ 400,467 |
| Net assets as of beginning of year | <u>\$ 314,807</u> | <u>\$ 460,666</u> | <u>\$ 775,473</u> | <u>\$ 375,006</u> |
| Net assets as of end of year | \$ <u><u>150,505</u></u> | \$ <u><u>683,037</u></u> | \$ <u><u>833,542</u></u> | \$ <u><u>775,473</u></u> |

See independent auditors' report and accompanying notes to financial statements.

WHOLESOME WAVE GEORGIA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

| | <u>2022</u> | <u>2021</u> |
|--|---------------------------------|---------------------------------|
| Cash Flows From Operating Activities | | |
| Increase (Decrease) in net assets | \$ 58,069 | \$ 400,467 |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities: | | |
| Depreciation | 146 | 485 |
| Paycheck Protection Program loan forgiveness | - | (148,912) |
| Decrease (increase) in: | | |
| Receivables | (417,629) | (127,677) |
| Right-of-use asset | 32,662 | (87,153) |
| Prepaid expenses | 178 | 1,195 |
| Increase (decrease) in: | | |
| Accounts payable | (19,406) | 3,871 |
| Accrued expenses | 43,829 | (6,144) |
| Lease liability | (32,662) | 87,153 |
| Net Cash Provided (Used) by Operating Activities | <u>(334,813)</u> | <u>123,285</u> |
| Cash Flows From Financing Activities | | |
| Loan Proceeds | <u>-</u> | <u>72,722</u> |
| Net Cash Provided (Used) By Financing Activities | <u>-</u> | <u>72,722</u> |
| Net increase (decrease) in cash and cash equivalents | (334,813) | 196,007 |
| Cash and cash equivalents as of beginning of year | <u>578,795</u> | <u>382,788</u> |
| Cash and cash equivalents as of end of year | <u><u>\$ 243,982</u></u> | <u><u>\$ 578,795</u></u> |
| Supplemental Cash Flow Information: | | |
| Interest Paid | \$ <u>-</u> | \$ <u>-</u> |
| Income Tax Paid | \$ <u>-</u> | \$ <u>-</u> |

See independent auditors' report and accompanying notes to financial statements.

WHOLESOME WAVE GEORGIA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Program Services | Supporting Services | | Total |
|-----------------------------|-----------------------------|-----------------------------------|--------------------|---------------------|
| | | Management and General | Fundraising | |
| Bad debt | \$ 1,100 | \$ - | \$ 5,000 | \$ 6,100 |
| Bank fees | 387 | 1,321 | 5,347 | 7,055 |
| Depreciation | - | 146 | - | 146 |
| Dues and subscriptions | 1,776 | 1,530 | - | 3,306 |
| Employee benefits | 60,274 | - | 633 | 60,907 |
| Event expenses | 1,085 | 4,145 | 61,517 | 66,747 |
| Food incentives | 423,700 | - | - | 423,700 |
| Gifts | 1,458 | - | - | 1,458 |
| Grants | 224,706 | - | - | 224,706 |
| Insurance | - | 8,036 | - | 8,036 |
| Meeting expense | 425 | 4,966 | 2,199 | 7,590 |
| Merchandise expense | 6,863 | - | 3,885 | 10,748 |
| Office supplies | 11,565 | 1,560 | 180 | 13,305 |
| Outside services | 24,552 | 54,529 | 17,950 | 97,031 |
| Partner market scholarships | 25,265 | - | - | 25,265 |
| Payroll tax expense | 26,517 | 4,187 | 1,103 | 31,807 |
| Postage | 90 | 913 | 90 | 1,093 |
| Printing | 7,878 | 5,653 | 273 | 13,804 |
| Professional development | - | 2,331 | 18 | 2,349 |
| Professional fees | 72,895 | 14,209 | 119,918 | 207,022 |
| Rent | 27,538 | 9,205 | - | 36,743 |
| Salaries and wages | 360,550 | 40,343 | 14,364 | 415,257 |
| Supplies | 2,801 | - | - | 2,801 |
| Telephone | 7,212 | 3,795 | - | 11,007 |
| Travel expenses | 4,422 | - | - | 4,422 |
| Website expenses | 359 | - | 928 | 1,287 |
| Total expenses | \$ <u>1,293,418</u> | \$ <u>156,869</u> | \$ <u>233,405</u> | \$ <u>1,683,692</u> |

See independent auditors' report and accompanying notes to financial statements.

WHOLESOME WAVE GEORGIA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

| | | Supporting Services | | |
|-----------------------------|-----------------------------|-----------------------------------|--------------------|---------------------|
| | Program Services | Management and General | Fundraising | Total |
| Bad debt | \$ 2,088 | \$ - | \$ - | \$ 2,088 |
| Bank fees | 138 | 895 | 1,949 | 2,982 |
| Depreciation | - | 485 | - | 485 |
| Dues and subscriptions | 1,876 | 470 | 207 | 2,553 |
| Employee benefits | 19,025 | 144 | 9,962 | 29,131 |
| Event expenses | 6,494 | - | 6,683 | 13,177 |
| Food incentives | 347,236 | - | - | 347,236 |
| Gifts | 4,500 | 256 | - | 4,756 |
| Insurance | - | 5,265 | - | 5,265 |
| Janitorial services | - | 16 | - | 16 |
| Marketing | 4,459 | - | 511 | 4,970 |
| Meeting expense | - | 7,526 | 95 | 7,621 |
| Merchandise expense | 5,524 | - | 3,221 | 8,745 |
| Office supplies | 3,524 | 1,864 | 180 | 5,568 |
| Outside services | 13,926 | 14,302 | 14,175 | 42,403 |
| Partner market scholarships | 22,500 | - | - | 22,500 |
| Payroll tax expense | 18,189 | 5,492 | 3,944 | 27,625 |
| Postage | 566 | 656 | 78 | 1,300 |
| Printing | 8,929 | 4,741 | 5,539 | 19,209 |
| Professional development | - | 1,745 | - | 1,745 |
| Professional fees | 15,698 | 855 | 59,552 | 76,105 |
| Rent | 26,683 | 9,081 | - | 35,764 |
| Salaries and wages | 232,801 | 55,860 | 48,394 | 337,055 |
| Supplies | 1,158 | - | - | 1,158 |
| Telephone | 4,698 | 2,963 | - | 7,661 |
| Travel expenses | 2,045 | 254 | 202 | 2,501 |
| Website expenses | 540 | - | 619 | 1,159 |
| Total expenses | \$ <u>742,597</u> | \$ <u>112,870</u> | \$ <u>155,311</u> | \$ <u>1,010,778</u> |

See independent auditors' report and accompanying notes to financial statements.

WHOLESOME WAVE GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Wholesome Wave Georgia, Inc.'s mission is to facilitate access to and awareness of healthy food choices for all Georgians in need through local farmers markets and community partners. The Organization accomplishes its mission by creating financial incentives for low-income shoppers through doubling the value of state and federal nutrition benefits spent at the Organization's participating community partners.

During the year ended December 31, 2022, the Organization's Georgia Fresh for Less program increased its community partnerships to 82 farmers markets, farm stands, mobile markets, and brick-and-mortar retailers compared to 78 farmers markets, farm stands, mobile markets, and brick-and-mortar retailers for the year ended December 31, 2021. For the year ended December 31, 2022, the Organization matched \$356,041 in state and federal nutrition benefits spent by low-income shoppers at the Organization's participating farmers markets, farm stands, mobile markets, and brick-and-mortar retailers.

The Organization's Georgia Food for Health program promotes fresh, healthy, locally grown food access and education on how healthy eating can address diet related illnesses such as diabetes and hypertension. The Georgia Food for Health program's goal is to improve health outcomes for program participants with diet-related illnesses through increased fruit and vegetable consumption, education, and regular physician contact. The program is a proven, evidence-based model of preventative healthcare with demonstrated impact, resulting in healthier communities, local food systems, and local economies. For the year ended December 31, 2022, the Organization enrolled 144 program participants in the Georgia Food for Health program compared to 129 program participants enrolled in the program for the year ended December 31, 2021.

Basis of Accounting

The accompanying financial statements of Wholesome Wave Georgia, Inc. have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958, *Financial Statements for Not-for-Profit Organizations*, as updated by Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. This standard requires classification of net assets and revenue, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of these two classes of net assets, with donor restrictions and without donor restrictions, be displayed in the statement of activities and changes in net assets. The accounting standards provide that if a governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions.

Contributions

The Organization follows the recommendation of the FASB ASC 958, *Financial Statements for Not-for-Profit Organizations*, as updated by ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, whereby contributions received are recorded as without donor restriction, or with donor restriction depending on the existence and/or nature of donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of time or purpose restrictions. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as support without donor restrictions.

See independent auditors' report.

WHOLESOME WAVE GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period the donor makes the promise to give and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Donated Assets, Services, and Use of Facilities

Donated property and equipment are recorded at estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. No property and equipment donations were received during the year ended December 31, 2021 or December 31, 2022.

Donations of noncash items used in programs are recorded as contributions at their estimated fair value. During the years ended December 31, 2021 and December 31, 2022, the Organization did not receive donations of noncash items. No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform tasks that assist the Organization.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Wholesome Wave Georgia, Inc. considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

U.S. Federal Income Tax Status

Effective March 19, 2012, Wholesome Wave Georgia, Inc. is an exempt organization for Federal income tax purposed under Section 501 (c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. The Organization has not been classified as a private foundation.

Property Assets and Depreciation

Property assets are those assets used in the operations of the Organization. They are recorded at cost or, if donated, at the estimated fair market value at the date of the donation. The Organization capitalizes all property and equipment whose cost at the time of purchase or market value at the time of donation exceeds \$1,000. No limitations or restrictions have been placed on any property of the Organization.

Depreciation is recorded using the double declining balance and straight-line methods at various rates calculated to allocate the cost of the respective items over their estimated useful lives. Depreciation expense was \$485 for the year ended December 31, 2021 and \$146 for the year ended December 31, 2022.

See independent auditors' report.

WHOLESOME WAVE GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Receivables and Promises to Give

The Organization considers all receivables and promises to give fully collectible; accordingly, no allowance for doubtful accounts is considered necessary. Unconditional promises to give that are expected to be collected within one year are reported at fair value. Unconditional promises to give that are expected to be collected in future years are reported at the present value of estimated future cash flows.

Recognition of Donor Restrictions

Support that is restricted by the donor is reported as an increase in without donor restrictions net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Adoption of FASB ASC 842

Effective January 1, 2022, the Organization adopted FASB ASC 842, *Leases*. The new standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the statement of financial position for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized in change in net assets on a straight-line basis over the lease term. The Organization leases office space discussed in Note 4.

The Organization elected to adopt FASB ASC 842, *Leases*, using the optional transition method that allows the Organization to initially apply the new leases standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of net assets in the period of adoption.

The adoption of FASB ASC 842, *Leases*, resulted in the following impact as of December 31, 2021:

| | | |
|--------------------------------|----|---------------|
| Current Right-of-Use Assets | \$ | 32,662 |
| Long-Term Right-of -Use Assets | | <u>54,491</u> |
| Total Assets | \$ | <u>87,153</u> |

| | | |
|---------------------------|----|---------------|
| Current Lease Liability | \$ | 32,662 |
| Long-Term Lease Liability | | <u>54,491</u> |
| Total Liabilities | \$ | <u>87,153</u> |

See independent auditors' report.

WHOLESOME WAVE GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Evaluation of Subsequent Events

The date to which events occurring after December 31, 2022, the date of the most recent statement of financial position, have been evaluated for possible adjustments to financial statements or disclosure is September 27, 2023, which is the date on which the financial statements were available to be issued.

NOTE 2 – CONCENTRATION OF CREDIT RISK

The Organization serves farmers markets located in Georgia. Although the Organization does not extend credit for services, the Organization is reliant on the economic conditions of the geographic area.

The account balance, at times, may exceed federally insured limits. As of December 31, 2022, the account balance did not exceed federally insured limits. As of December 31, 2021, the account balance exceeded federally insured limits by \$209,128.

NOTE 3 – NOTE PAYABLE – PAYCHECK PROTECTION PROGRAM

As of December 31, 2020, Wholesome Wave Georgia, Inc. had a note payable to Chase Bank which was fully guaranteed by the Small Business Administration through the Paycheck Protection Program. The principal balance was \$76,190 with an interest rate of 1%. This balance and accrued interest were forgiven on March 30, 2021 by the Small Business Administration.

On March 16, 2021, Wholesome Wave Georgia, Inc. received an additional \$72,722 through the Paycheck Protection Program with an interest rate of 1%. The balance and accrued interest were forgiven on November 5, 2021 by the Small Business Administration.

NOTE 4 – COMMITMENTS

The Organization rents office space. The Organization entered into a lease on April 1, 2019. The lease expires on June 30, 2024 with monthly rate changes beginning each July 1. The monthly lease payments for years ended December 31, 2021 and 2022 are as follows:

| Period | Base Rent |
|-------------------------|------------------|
| 07/01/2020 - 06/30/2021 | \$2,921 |
| 07/01/2021 - 06/30/2022 | \$3,008 |
| 07/01/2022 - 06/30/2023 | \$3,100 |

Future minimum lease payments over the remainder of the lease terms are as follows:

| For the Year Ending | Lease Obligation |
|----------------------------|-------------------------|
| 12/31/2023 | \$37,753 |
| 12/31/2024 | \$19,156 |
| 12/31/2025 | \$0 |

See independent auditors' report.

WHOLESOME WAVE GEORGIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 – WITH DONOR RESTRICTION NET ASSETS

With donor restriction net assets are available for use in the development, maintenance and operation of the Organization's various programs. With donor restriction net assets activity is summarized as follows:

| | | |
|---|----|-----------------------|
| With donor restriction net assets as of December 31, 2021 | \$ | 460,666 |
| Restricted donations received in 2022 | | 699,999 |
| Satisfaction of program restrictions | | (477,628) |
| Net increase in restricted assets | | <u>222,371</u> |
| With donor restriction net assets as of December 31, 2022 | \$ | <u><u>683,037</u></u> |

With donor restriction net assets at December 31 were restricted for the following purpose:

| | <u>2022</u> | <u>2021</u> |
|---|--------------------------|--------------------------|
| Georgia Fresh for Less Program | \$ 500,000 | \$ - |
| Fulton County Urban Farm Infrastructure Grant Program | - | 319,749 |
| SNAP Connection Outreach Program | 183,037 | 135,917 |
| 2022 Southern Chef's Potluck | <u>-</u> | <u>5,000</u> |
| | \$ <u><u>683,037</u></u> | \$ <u><u>455,666</u></u> |

See independent auditors' report.