

FINANCIAL STATEMENTS

**the
farmlink
project**

FOR THE YEAR ENDED MARCH 31, 2025

THE FARMLINK PROJECT

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statement of Financial Position, as of March 31, 2025	4
EXHIBIT B - Statement of Activities and Change in Net Assets, for the Year Ended March 31, 2025	5
EXHIBIT C - Statement of Functional Expenses, for the Year Ended March 31, 2025	6
EXHIBIT D - Statement of Cash Flows, for the Year Ended March 31, 2025	7
NOTES TO FINANCIAL STATEMENTS	8 - 15



CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Farmlink Project
Los Angeles, California

Opinion

We have audited the accompanying financial statements of The Farmlink Project (Farmlink), which comprise the statement of financial position as of March 31, 2025, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Farmlink as of March 31, 2025, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Farmlink and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Farmlink'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.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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.

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 Farmlink'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 Farmlink's ability to continue as a going concern for a reasonable period of time.

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

A handwritten signature in cursive script that reads "Gelman Rosenberg & Friedman".

August 21, 2025

THE FARMLINK PROJECT
STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 4,076,053
Investments	3,071,372
Grants and contributions receivable	1,275,100
Other receivables	51,842
Prepaid expenses	29,784
Inventory	<u>25,558</u>
Total current assets	<u>8,529,709</u>

OTHER ASSETS

Grants and contributions receivable, net	<u>961,538</u>
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TOTAL ASSETS \$ 9,491,247

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 302,638
Accrued salaries and related benefits	<u>11,350</u>
Total liabilities	<u>313,988</u>

NET ASSETS

Without donor restrictions:	
Undesignated	1,835,557
Board designated	<u>3,400,000</u>
Total without donor restrictions	5,235,557
With donor restrictions	<u>3,941,702</u>
Total net assets	<u>9,177,259</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 9,491,247</u></u>

THE FARMLINK PROJECT

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributed nonfinancial assets	\$ 86,734,188	\$ -	\$ 86,734,188
Grants and contributions	5,777,912	6,127,002	11,904,914
Net investment return	172,362	-	172,362
Other revenue	828,221	-	828,221
Net assets released from donor restrictions	<u>3,688,890</u>	<u>(3,688,890)</u>	<u>-</u>
Total support and revenue	<u>97,201,573</u>	<u>2,438,112</u>	<u>99,639,685</u>
EXPENSES			
Program Services	<u>92,442,440</u>	<u>-</u>	<u>92,442,440</u>
Supporting Services:			
Fundraising	657,118	-	657,118
Management and General	<u>1,973,079</u>	<u>-</u>	<u>1,973,079</u>
Total supporting services	<u>2,630,197</u>	<u>-</u>	<u>2,630,197</u>
Total expenses	<u>95,072,637</u>	<u>-</u>	<u>95,072,637</u>
Change in net assets	2,128,936	2,438,112	4,567,048
Net assets at beginning of year	<u>3,106,621</u>	<u>1,503,590</u>	<u>4,610,211</u>
NET ASSETS AT END OF YEAR	<u>\$ 5,235,557</u>	<u>\$ 3,941,702</u>	<u>\$ 9,177,259</u>

THE FARMLINK PROJECT

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2025

	Program Services	Supporting Services			Total Expenses
		Fundraising	Management and General	Total Supporting Services	
Donated goods	\$ 86,317,356	\$ -	\$ 44,899	\$ 44,899	\$ 86,362,255
Freight transportation	4,785,111	-	-	-	4,785,111
Salaries and related expenses	960,921	547,044	856,928	1,403,972	2,364,893
Donated professional services	-	-	371,933	371,933	371,933
Professional and contract services	77,928	53,374	454,824	508,198	586,126
Equipment rental	-	-	13,415	13,415	13,415
Travel	128,644	21,991	49,895	71,886	200,530
Direct student programming costs	127,492	4,402	2,190	6,592	134,084
Dues and subscriptions	37,417	17,240	42,149	59,389	96,806
Merchandise expenses	1,429	528	3,387	3,915	5,344
General office and supplies	6,142	12,539	41,503	54,042	60,184
Advertising expenses	-	-	5,803	5,803	5,803
Insurance	-	-	14,353	14,353	14,353
Miscellaneous	-	-	49,020	49,020	49,020
Taxes and licenses	-	-	22,780	22,780	22,780
TOTAL	\$ 92,442,440	\$ 657,118	\$ 1,973,079	\$ 2,630,197	\$ 95,072,637

THE FARMLINK PROJECT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 4,567,048
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Unrealized loss	3,516
Realized gain	(6,847)
Receipt of contributed securities	(40,064)
Proceeds from the sale of contributed securities	39,230
Change in discount on long-term grants and contributions receivables	38,462
(Increase) decrease in:	
Grants and contributions receivable	(1,851,361)
Other receivables	24,901
Prepaid expenses	8,400
Inventory	20,825
(Decrease) increase in:	
Accounts payable and accrued liabilities	(75,251)
Accrued salaries and related benefits	<u>11,350</u>
Net cash provided by operating activities	<u>2,740,209</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments	(1,190,925)
Proceeds from sale of investments	<u>3,375</u>
Net cash used by investing activities	<u>(1,187,550)</u>
Net increase in cash and cash equivalents	1,552,659
Cash and cash equivalents at beginning of year	<u>2,523,394</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,076,053</u>

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Farmlink Project (Farmlink) is a non-profit organization, incorporated in California and dedicated to alleviating food insecurity and reducing food waste. Farmlink conducts its operations nationwide, connecting farms with surplus fresh produce to food banks serving communities in need across the United States. It actively cultivates relationships with all parties involved by staying committed to its core values: prizing honest and open communication, uplifting and championing diversity, advancing food security and equity, and believing in food sovereignty and dignity.

Founded in April 2020 by a network of students across the country in response to the pandemic's strain on the country's food system, Farmlink aims to connect surplus produce to communities in need, reduce carbon emissions, and empower the next generation of young changemakers. Its vision is to transform the food system, end food insecurity, and eliminate food waste at the agricultural level.

Farmlink obtained its 501(c)(3) non-profit organization status in February 2021. Prior to this date, Farmlink partnered with another non-profit organization, Food Finders, until it began to operate independently in August 2021.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

Cash and cash equivalents -

Farmlink considers all highly liquid investments with maturities of three months or less, which are not part of the investment portfolio, to be cash and cash equivalents. Money market funds held by investment managers totaled \$13,077 as of March 31, 2025. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, Farmlink maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. Farmlink's policy is to liquidate all gifts of investments as soon as possible after the gift.

Grants and contributions receivable -

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term grants and contributions receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions.

Other receivables -

Other receivables include amounts due from donors and recipient organizations related to voluntary reimbursements of transportation costs incurred by Farmlink. Other receivables are recognized when Farmlink has incurred the freight cost, and the donor or recipient has communicated an intention to reimburse, and are recorded at their net realizable value which approximates fair value.

The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. Management believes all receivables are fully collectable.

Inventory -

Inventory consists of merchandise. Inventory is stated at the lower of cost or net realizable value using the first in, first out (FIFO) method of valuation. Management performs an annual physical count of all merchandise and, as a result, inventory is adjusted annually to agree to the physical count. Therefore, management has not established an allowance for obsolete inventory. No inventory was written off as of March 31, 2025.

Income taxes -

Farmlink is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. Farmlink is not a private foundation.

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Support from grants and contributions -

Grants and contributions are recognized in the appropriate category of net assets in the period received. Farmlink performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from grants and contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Grants and contributions that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Grants and contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional grants and contributions contain a right of return and a measurable barrier. Grants and contributions are recognized when conditions have been satisfied. Conditional grants and contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, Farmlink had no refundable advances as of March 31, 2025.

In addition, Farmlink may obtain funding source agreements related to conditional contributions, which will be recognized in future years. However, Farmlink had no unrecognized conditional contributions to be received in future years as of March 31, 2025.

Contributed nonfinancial assets -

Contributed nonfinancial assets are recorded at their fair value as of the date of the gift and consisted of contributed food, merchandise, and legal services. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Farmlink. Contributed goods are recognized as contributions if the goods (a) have a readily determinable fair value (b) are unconditional and (c) Farmlink received possession and control. None of the contributed nonfinancial assets were restricted by donors and none of the donated goods were monetized through sale.

As of March 31, 2025, the fair values of the donated food are determined to be \$0.86 per pound. Farmlink transitioned to a new methodology using wholesale pricing data from the USDA Agricultural Marketing Service (AMS) and performing their own calculations. This means the financial revenue figures for food donations will now be calculated based on the actual market value of the food received—rather than using an average price-per-pound of all types of foods. While this change may result in a lower reported financial value, it represents a crucial step toward enhancing the precision, transparency, and relevance of Farmlink's financial reporting.

Farmlink would receive a phone call from a farmer informing that they have excess produce and food that will be disposed of if not used. Consequently, Farmlink would make logistic arrangements to transport the produce to the food banks.

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Contributed nonfinancial assets (continued) -

This set-up provided Farmlink the authority and discretion over the distribution of the donated food. Therefore, all amounts of such food received from farmers were reported as revenue rather than reflected as agency transactions.

In cases where Farmlink functions as an agent or intermediary for the donated food, Farmlink policy is to record an asset and a corresponding liability at fair value at the time the food is received, and until the donated foods are delivered to the ultimate beneficiary when there is substantial time between donation and delivery.

Freight reimbursements -

Farmlink encourages both food donors and recipient organizations to contribute toward the transportation costs associated with donated food when feasible. However, payment for transportation is not a requirement for donating or receiving food, and Farmlink does not charge any service or administrative fees related to transportation.

Farmlink selects the transportation providers and is responsible for arranging and managing shipment logistics. As such, Farmlink acts as a principal in these transactions. From time to time, donors or recipients voluntarily agree to reimburse Farmlink for all or a portion of the transportation costs incurred in connection with specific food donation transactions. Once a donor or recipient commits to providing reimbursement, the amount is recognized as revenue in the accompanying financial statements.

Accordingly, the accompanying statement of activities presents transportation cost reimbursements within other revenue, and transportation expenses within program services expense. For the year ended March 31, 2025, total transportation reimbursements were \$862,298 and are included in other revenue, and total transportation expenses were \$4,785,111.

Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing Farmlink's programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

Farmlink invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, Farmlink has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market Farmlink has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended March 31, 2025. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - The money market funds are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.
- *Mutual Funds and Exchange-Traded Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by Farmlink are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by Farmlink are deemed to be actively traded.
- *Certificates of Deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of March 31, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Money market funds	\$ 13,077	\$ -	\$ -	\$ 13,077
Mutual funds	368,161	-	-	368,161
Exchange-traded funds	182,430	-	-	182,430
Certificates of deposits	<u>-</u>	<u>2,507,704</u>	<u>-</u>	<u>2,507,704</u>
TOTAL INVESTMENTS	<u>\$ 563,668</u>	<u>\$ 2,507,704</u>	<u>\$ -</u>	<u>\$ 3,071,372</u>

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Net investment return consisted of the following as of March 31, 2025:

Interest and dividends	\$ 172,406
Unrealized loss	(3,516)
Realized gain	6,847
Investment fees	<u>(3,375)</u>
NET INVESTMENT RETURN	<u>\$ 172,362</u>

3. GRANTS AND CONTRIBUTIONS RECEIVABLE

Farmlink has unconditional promises to give. Long-term promises to give have been recorded at the net present value of their estimated cash flows using a discount rate of 4%.

Grants and contributions receivable are expected to be collected as follows as of March 31, 2025:

Less than one year	\$ 1,275,100
One to five years	<u>1,000,000</u>
Total	2,275,100
Less: Allowance to discount balance to present value	<u>(38,462)</u>
GRANTS AND CONTRIBUTIONS RECEIVABLE, NET	<u>\$ 2,236,638</u>

4. BOARD DESIGNATED NET ASSETS

In 2025, Farmlink established a Board Designated fund known as the Farmlink Fund, which raised \$3.4 million through private donor contributions. The Fund is designed to respond to large-scale food surplus events by covering immediate operational costs such as harvesting, packaging, and transportation. The Fund is regenerative—initially capitalized by private philanthropy and sustained through ongoing reimbursements from USDA and State Government programs.

During 2025, the Farmlink Fund supported the rescue of approximately 18 million pounds of surplus apples in West Virginia, which were distributed to families in need across 27 States. The Fund initially covered the associated costs, which were subsequently reimbursed through Government funding sources.

Following is a summary of net asset activity as of and for the year ended March 31, 2025:

	<u>Without Donor Restrictions</u>				
	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total Without Donor Restrictions</u>	<u>Total With Donor Restrictions</u>	<u>Total Net Assets</u>
Balance at March 31, 2024	\$ 3,106,621	\$ -	\$ 3,106,621	\$ 1,503,590	\$ 4,610,211
Support and revenue	90,112,683	3,400,000	93,512,683	6,127,002	99,639,685
Net assets released from donor restrictions	3,688,890	-	3,688,890	(3,688,890)	-
Expenses	<u>(95,072,637)</u>	<u>-</u>	<u>(95,072,637)</u>	<u>-</u>	<u>(95,072,637)</u>
Change in net assets	<u>(1,271,064)</u>	<u>3,400,000</u>	<u>2,128,936</u>	<u>2,438,112</u>	<u>4,567,048</u>
BALANCE AT MARCH 31, 2025	<u>\$ 1,835,557</u>	<u>\$ 3,400,000</u>	<u>\$ 5,235,557</u>	<u>\$ 3,941,702</u>	<u>\$ 9,177,259</u>

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of March 31, 2025:

Subject to expenditure for specified purpose:	
Natural disaster relief	\$ 913,321
Food program	381,750
Freight support	370,870
FIELD fellowship	227,292
Environmental accounting verification	15,000
Sustainability	<u>8,469</u>
Subtotal	1,916,702
Subject to passage of time	<u>2,025,000</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 3,941,702</u>

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the year ended March 31, 2025:

Purpose restrictions accomplished:	
Natural disaster relief	\$ 251,060
Food program	415,023
Freight support	1,622,910
FIELD fellowship	235,655
Sustainability	31,531
Travel	33,972
Expiration to passage of time	<u>1,098,739</u>
TOTAL	<u>\$ 3,688,890</u>

6. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of March 31, 2025:

Cash and cash equivalents	\$ 4,076,053
Investments	3,071,372
Grants and contributions receivable	1,275,100
Other receivables	<u>51,842</u>
Subtotal financial assets available within one year	8,474,367
Less: Donor restricted fund	(3,941,702)
Less: Board designated funds	<u>(3,400,000)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 1,132,665</u>

FarmLink has a policy to structure its financial assets to be available and liquid as its obligations become due. In addition, FarmLink has Board designated net assets without donor restrictions that were established by the Board of Directors that may be drawn upon in the event of financial distress or an immediate liquidity need.

THE FARMLINK PROJECT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

7. CONTRIBUTED NONFINANCIAL ASSETS

Farmlink was the beneficiary of certain contributed nonfinancial assets which allowed Farmlink to provide greater resources towards its various programs. No donor-imposed restrictions were associated with the contributed nonfinancial assets, which are recorded at their estimated fair market value as of the date of the gift. In addition, none of the donated goods were monetized through sale.

The contributed nonfinancial assets consisted of the following for the year ended March 31, 2025:

Donated food	\$ 86,317,356
Merchandise	44,899
Legal services	<u>371,933</u>
TOTAL	<u>\$ 86,734,188</u>

The contributed nonfinancial assets have been recorded in support and in the following functional expense categories for the year ended March 31, 2025:

Program services - donated goods	\$ 86,317,356
Management and general - donated goods	44,899
Management and general - donated professional services	<u>371,933</u>
TOTAL	<u>\$ 86,734,188</u>

8. SUBSEQUENT EVENTS

In preparing these financial statements, Farmlink has evaluated events and transactions for potential recognition or disclosure through August 21, 2025, the date the financial statements were issued.