

FARM STEW INTERNATIONAL
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023



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INDEPENDENT AUDITORS' REPORT

Board of Directors
FARM STEW International
Princeton, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of FARM STEW International, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FARM STEW International, as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of FARM STEW International 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about FARM STEW International's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 FARM STEW International'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about FARM STEW International'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.



CliftonLarsonAllen LLP

Peoria, Illinois
May 2, 2025

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,042,792	\$ 906,325
Prepaid Expenses	<u>3,642</u>	<u>3,500</u>
Total Current Assets	1,046,434	909,825
FIXED ASSETS		
Equipment	1,580	1,580
Accumulated Depreciation	<u>(1,472)</u>	<u>(1,255)</u>
Net Fixed Assets	<u>108</u>	<u>325</u>
Total Assets	<u><u>\$ 1,046,542</u></u>	<u><u>\$ 910,150</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,461	\$ 100
Accrued Wages	<u>12,603</u>	<u>9,270</u>
Total Current Liabilities	14,064	9,370
NET ASSETS		
Without Donor Restrictions	1,032,478	830,089
With Donor Restrictions	<u>-</u>	<u>70,691</u>
Total Net Assets	<u>1,032,478</u>	<u>900,780</u>
Total Liabilities and Net Assets	<u><u>\$ 1,046,542</u></u>	<u><u>\$ 910,150</u></u>

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Contributions	\$ 1,801,611	\$ -	\$ 1,801,611
Other Income	12,649	-	12,649
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	70,691	(70,691)	-
Total Revenues, Support, and Gains	<u>1,884,951</u>	<u>(70,691)</u>	<u>1,814,260</u>
EXPENSES			
Program Services	1,264,534	-	1,264,534
General and Administrative	213,421	-	213,421
Fundraising	204,607	-	204,607
Total Expenses	<u>1,682,562</u>	<u>-</u>	<u>1,682,562</u>
CHANGE IN NET ASSETS	202,389	(70,691)	131,698
Net Assets - Beginning of Year	<u>830,089</u>	<u>70,691</u>	<u>900,780</u>
NET ASSETS - END OF YEAR	<u><u>\$ 1,032,478</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,032,478</u></u>

See accompanying Notes to Consolidated Financial Statements.

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS			
Contributions	\$ 1,272,973	\$ 410,162	\$ 1,683,135
Other Income	6,116	-	6,116
Net Assets Released from Restrictions			
Satisfaction of Program Restrictions	339,471	(339,471)	-
Total Revenues, Support, and Gains	1,618,560	70,691	1,689,251
EXPENSES			
Program Services	1,175,569	-	1,175,569
General and Administrative	202,206	-	202,206
Fundraising	126,458	-	126,458
Total Expenses	1,504,233	-	1,504,233
CHANGE IN NET ASSETS	114,327	70,691	185,018
Net Assets - Beginning of Year	715,762		715,762
NET ASSETS - END OF YEAR	<u>\$ 830,089</u>	<u>\$ 70,691</u>	<u>\$ 900,780</u>

See accompanying Notes to Consolidated Financial Statements.

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services		Supporting Services		Total
	FARM STEW International	FARM STEW Foods	General and Administrative	Fundraising	
Grants	\$ 1,045,573	\$ -	\$ -	\$ 1,574	\$ 1,047,147
Salaries and Wages	109,897	-	117,942	45,619	273,458
Payroll Taxes	7,376	-	8,561	3,122	19,059
Other Benefits	17,737	-	19,067	7,538	44,342
Contract Services	12,485	-	4,902	51,038	68,425
Conferences and Meetings	10,671	-	5,411	4,962	21,044
Bank Charges	-	-	5,147	31,273	36,420
Legal and Accounting	-	-	29,311	-	29,311
Office and Supplies	1,475	-	4,862	2,071	8,408
Postage and Printing	12,083	-	1,305	19,016	32,404
Promotional and Fundraising	6,286	-	111	21,972	28,369
Information Technology	6,990	-	6,851	3,894	17,735
Occupancy	369	-	7,106	-	7,475
Travel	28,398	-	2,628	12,528	43,554
Depreciation	-	-	217	-	217
Other	-	5,194	-	-	5,194
Total Expenses	<u>\$ 1,259,340</u>	<u>\$ 5,194</u>	<u>\$ 213,421</u>	<u>\$ 204,607</u>	<u>\$ 1,682,562</u>

See accompanying Notes to Consolidated Financial Statements.

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services		Supporting Services		Total
	FARM STEW International	FARM STEW Foods	General and Administrative	Fundraising	
Grants	\$ 987,689	\$ -	\$ 67	\$ 609	\$ 988,365
Salaries and Wages	100,517	-	100,812	41,816	243,145
Payroll Taxes	7,192	-	7,025	2,991	17,208
Other Benefits	2,500	-	29,067	-	31,567
Contract Services	12,804	-	4,070	5,579	22,453
Conferences and Meetings	12,575	-	1,064	9,836	23,475
Bank Charges	370	-	3,141	20,784	24,295
Legal and Accounting	-	-	28,481	4,565	33,046
Office and Supplies	313	-	8,358	1,553	10,224
Postage and Printing	10,739	-	2,256	15,874	28,869
Promotional and Fundraising	2,144	-	115	10,285	12,544
Information Technology	3,008	-	3,789	2,823	9,620
Occupancy	-	-	6,000	-	6,000
Travel	35,718	-	-	9,743	45,461
Depreciation	-	-	216	-	216
Other	-	-	7,745	-	7,745
Total Expenses	<u>\$ 1,175,569</u>	<u>\$ -</u>	<u>\$ 202,206</u>	<u>\$ 126,458</u>	<u>\$ 1,504,233</u>

See accompanying Notes to Consolidated Financial Statements.

FARM STEW INTERNATIONAL
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 131,698	\$ 185,018
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation	217	216
(Increase) Decrease in Assets:		
Prepaid Expenses	(142)	7,266
Increase (Decrease) in Liabilities:		
Accounts Payable	1,361	100
Accrued Wages	3,333	1,237
Net Cash Provided by Operating Activities	<u>136,467</u>	<u>193,837</u>
INCREASE IN CASH	136,467	193,837
Cash - Beginning of Year	<u>906,325</u>	<u>712,488</u>
CASH - END OF YEAR	<u><u>\$ 1,042,792</u></u>	<u><u>\$ 906,325</u></u>

FARM STEW INTERNATIONAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

FARM STEW International (the Organization) is an Illinois nonprofit corporation located in Princeton, Illinois. The mission is to improve the health and wellbeing of poor families and vulnerable people by sharing the recipe of abundant life throughout the world. In 2022 the Organization formed FARM STEW Foods International Inc. (FSF), with the intention of developing international health food businesses that would support the work of the Organization in various countries, creating a self-supporting and replicating model.

Basis of Consolidation

The Organization is the sole member of FSF, therefore the consolidated financial statements include the financial statements of the Organization and FSF. Intercompany transactions and balances have been eliminated for consolidated financial statement purposes.

Basis of Accounting

The Organization maintains its accounts on the accrual basis of accounting. This basis recognizes revenues earned and expenses incurred as they apply to the period in which the transaction takes place without regard to date of receipt or payment.

Net Assets

Net assets are classified into two classes based on the existence or absence of donor-imposed restrictions. The following is a description of each class:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a 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.

Fixed Assets

Fixed assets used by the Organization are recorded at cost, or in the case of donated equipment, at fair value as of the date of donation. Depreciation is taken over the assets' estimated useful lives. Equipment is depreciated over 5 years.

The Organization has a capitalization threshold of \$500. Routine repairs and maintenance are expensed as incurred.

**FARM STEW INTERNATIONAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Revenue Recognition

Unconditional contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. 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. Amounts received which are designated for future periods or restricted by the donor for specific purposes are reported as with donor-restricted support that increases that net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Donated materials, property and equipment, and investments are recorded at fair value when received.

Functional Expense Allocations

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. All direct and indirect expenses which relate to each applicable function are charged or allocated among the programs and supporting activities benefited. Such allocations are determined by management based on an estimate of the time spent on each function.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Income Taxes

Both the Organization and FSF are nonprofit organizations that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The organizations are not aware of any uncertain tax positions they have taken.

**FARM STEW INTERNATIONAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Subsequent Events

The Organization has evaluated subsequent events through May 2, 2025, the date the consolidated financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise of cash of \$1,042,792 and \$835,634 as of December 31, 2024 and 2023, respectively. The net assets with donor restrictions are not included in the cash amount as they are not considered available for general expenditure.

NOTE 3 NET ASSETS WITH DONOR RESTRICTIONS

Restrictions on net assets at December 31, 2024 and 2023, relate to funds contributed for specific purposes. These funds are utilized as expenditures are incurred for the various projects. Donor restricted net asset balances as of December 31 consist of:

	2024	2023
Disease and Drudgery	\$ -	\$ 21,024
Freedom to Share	-	47,897
South Sudan	-	1,770
Total Net Assets With Donor Restrictions	<u>\$ -</u>	<u>\$ 70,691</u>

NOTE 4 RELATED PARTY TRANSACTIONS

FARM STEW South Sudan is considered a related party as the Organization's Executive Director is an advisory board member to FARM STEW South Sudan. During the years ended December 31, 2024 and 2023, the Organization provided grants to FARM STEW South Sudan of \$271,407 and \$400,245, respectively.

FARM STEW Uganda is considered a related party as the Organization's Executive Director is an advisory board member to FARM STEW Uganda. During the years ended December 31, 2024 and 2023, the Organization provided grants to FARM STEW Uganda of \$273,298 and \$299,824, respectively.

FARM STEW Zimbabwe Charitable Trust shares certain board members with the Organization. There was no activity between Farm Stew Zimbabwe Charitable Trust and the Organization during the years ended December 31, 2024 and 2023.

