



**F/K/A GEORGIA FOOD BANK ASSOCIATION, INC.**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
DECEMBER 31, 2022 AND 2021**

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
INDEX TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

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**Jones and Kolb**  
Certified Public Accountants  
Atlanta, Georgia

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Feeding Georgia, Inc. f/k/a  
Georgia Food Bank Association, Inc.  
Atlanta, Georgia

### **Opinion**

We have audited the accompanying financial statements of Feeding Georgia, Inc. f/k/a Georgia Food Bank Association, Inc. (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and net assets, 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 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 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 the Organization 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 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, 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 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.

*Jones and Kolb*

March 23, 2023

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2022 AND 2021**

<b><u>ASSETS</u></b>		<b><u>2022</u></b>	<b><u>2021</u></b>
<b>ASSETS</b>			
Cash		\$ 462,763	\$ 635,019
Receivables			
Member support receivable		6,250	-
Grants receivable and other		2,044,519	67,725
Prepaid expenses		7,929	14,480
		<u>7,929</u>	<u>14,480</u>
Total assets		<u>\$ 2,521,461</u>	<u>\$ 717,224</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>			
<b>LIABILITIES</b>			
Accounts payable		\$ 3,748	\$ 3,608
Grants payable		1,969,718	324,375
Deferred revenue		31,576	21,030
		<u>31,576</u>	<u>21,030</u>
Total liabilities		<u>2,005,042</u>	<u>349,013</u>
 <b>NET ASSETS</b>			
Without donor restrictions		319,993	343,708
With donor restrictions		196,426	24,503
		<u>196,426</u>	<u>24,503</u>
Total net assets		<u>516,419</u>	<u>368,211</u>
		<u>\$ 2,521,461</u>	<u>\$ 717,224</u>

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

**FEEDING GEORGIA, INC. F/K/A GEORGIA**  
**FOOD BANK ASSOCIATION, INC.**  
**STATEMENTS OF ACTIVITIES AND NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>			<u>2021</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>						
Member support	\$ 175,000	\$ -	\$ 175,000	\$ 186,305	\$ -	\$ 186,305
Contributions	300,678	314,250	614,928	258,202	-	258,202
Private and government grants	65,754	4,980,750	5,046,504	139,364	175,000	314,364
Total revenues and support	<u>541,432</u>	<u>5,295,000</u>	<u>5,836,432</u>	<u>583,871</u>	<u>175,000</u>	<u>758,871</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>5,123,077</u>	<u>(5,123,077)</u>	<u>-</u>	<u>307,381</u>	<u>(307,381)</u>	<u>-</u>
<b>EXPENSES</b>						
Program services						
Food procurement	163,936	-	163,936	181,332	-	181,332
Capacity building	4,986,636	-	4,986,636	363,623	-	363,623
Childhood hunger	229,500	-	229,500	42,082	-	42,082
Advocacy/awareness and education	236,472	-	236,472	196,423	-	196,423
Supporting services						
Management and general	56,905	-	56,905	52,287	-	52,287
Fundraising	14,775	-	14,775	11,933	-	11,933
Total expenses	<u>5,688,224</u>	<u>-</u>	<u>5,688,224</u>	<u>847,680</u>	<u>-</u>	<u>847,680</u>
<b>CHANGE IN NET ASSETS</b>	<u>(23,715)</u>	<u>171,923</u>	<u>148,208</u>	<u>43,572</u>	<u>(132,381)</u>	<u>(88,809)</u>
<b>NET ASSETS</b>						
Beginning of year	<u>343,708</u>	<u>24,503</u>	<u>368,211</u>	<u>300,136</u>	<u>156,884</u>	<u>457,020</u>
End of year	<u>\$ 319,993</u>	<u>\$ 196,426</u>	<u>\$ 516,419</u>	<u>\$ 343,708</u>	<u>\$ 24,503</u>	<u>\$ 368,211</u>

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

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>Program Services</b>								
	<b>Food Procurement</b>	<b>Capacity Building</b>	<b>Childhood Hunger</b>	<b>Advocacy/ Awareness and Education</b>	<b>Total</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Grants to member food banks	\$ 15,000	\$ 4,880,684	\$ 145,500	\$ -	\$ 5,041,184	\$ -	\$ -	\$ 5,041,184
Salaries and benefits	115,593	59,617	71,403	121,577	368,190	16,932	13,160	398,282
Professional fees	22,383	40,596	900	76,771	140,650	20,362	1,536	162,548
Supplies	6,976	-	3,084	16,115	26,175	9,207	-	35,382
Meetings and conferences	3,302	3,399	4,200	12,860	23,761	848	-	24,609
Travel	547	1,841	2,640	6,029	11,057	8	52	11,117
Other expenses	-	385	1,510	2,932	4,827	1,269	-	6,096
Occupancy and communication	135	-	263	188	586	5,356	-	5,942
Insurance	-	-	-	-	-	2,824	-	2,824
Printing and postage	-	114	-	-	114	99	27	240
<b>Total</b>	<b>\$ 163,936</b>	<b>\$ 4,986,636</b>	<b>\$ 229,500</b>	<b>\$ 236,472</b>	<b>\$ 5,616,544</b>	<b>\$ 56,905</b>	<b>\$ 14,775</b>	<b>\$ 5,688,224</b>

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

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Program Services</b>							
	<b>Food Procurement</b>	<b>Capacity Building</b>	<b>Childhood Hunger</b>	<b>Advocacy/ Awareness and Education</b>	<b>Total</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Grants to member food banks	\$ 29,375	\$ 308,117	\$ -	\$ -	\$ 337,492	\$ -	\$ -	\$ 337,492
Salaries and benefits	72,811	22,991	37,949	142,845	276,596	23,651	11,833	312,080
Professional fees	23,698	23,853	-	42,282	89,833	12,075	-	101,908
Food acquisition cost	44,747	-	-	-	44,747	-	-	44,747
Supplies	7,095	332	3,075	3,165	13,667	3,697	-	17,364
Meetings and conferences	1,833	7,690	595	4,015	14,133	1,307	85	15,525
Travel	-	608	408	1,953	2,969	12	15	2,996
Other expenses	1,461	-	-	2,108	3,569	3,440	-	7,009
Occupancy and communication	312	-	55	55	422	5,390	-	5,812
Insurance	-	-	-	-	-	2,634	-	2,634
Printing and postage	-	32	-	-	32	81	-	113
<b>Total</b>	<b>\$ 181,332</b>	<b>\$ 363,623</b>	<b>\$ 42,082</b>	<b>\$ 196,423</b>	<b>\$ 783,460</b>	<b>\$ 52,287</b>	<b>\$ 11,933</b>	<b>\$ 847,680</b>

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



**FEEDING GEORGIA, INC. F/K/A GEORGIA**  
**FOOD BANK ASSOCIATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Contributions and grants received	\$ 3,701,735	\$ 561,430
Member support received	168,750	217,555
Agency funds received	-	4,086,915
Salaries and benefits	(398,282)	(312,080)
Grants to SERC	-	(3,801,915)
Grants to member food banks	(3,395,841)	(337,492)
Professional fees	(162,548)	(101,908)
Other operating expenses	(86,070)	(68,839)
Net cash (used in) provided by operating activities	<u>(172,256)</u>	<u>243,666</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	(172,256)	243,666
<b>CASH, Beginning of year</b>	<u>635,019</u>	<u>391,353</u>
<b>CASH, End of year</b>	<u><u>\$ 462,763</u></u>	<u><u>\$ 635,019</u></u>

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

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Created in 1985, Feeding Georgia, Inc. f/k/a Georgia Food Bank Association, Inc. (the "Organization") is a membership Organization formed to serve the Feeding America food banks in Georgia. Today there are seven active food bank members of the Organization who collectively distribute more than 170 million pounds of food annually to more than 2,000 partner nonprofits in 133 counties in Georgia.

The Organization was created in a statewide effort to support the food security of low-income and needy individuals, families, and households, through their efforts and in support of their member food banks. Its role is to coordinate and maximize the efforts of member food banks in the state, enabling them to better provide a healthy and adequate food supply for people in need by:

- Identifying and facilitating the sharing of best practices.
- Advocating on behalf of the member food banks and increasing public awareness of hunger issues and the role of food banks in combating hunger.
- Seeking sources of funding, food and other resources to meet the needs of the hungry through the Organization and its member food banks.
- Building alliances and other relationships that advance the mission of the Organization and its members.

The food banks are members of Feeding America, the national network of more than 200 food banks. The Organization supports Feeding America initiatives through statewide coordination among the member food banks.

B. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

C. The Organization classifies net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. The Organization records contributions of cash and other assets as net assets without donor restrictions unless specifically restricted by the donor. All other restricted contributions are recorded as an increase in net assets with donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Net Assets as "net assets released from restrictions." Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operation of the Organization.

**FEEDING GEORGIA, INC. F/K/A GEORGIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
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Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating that those resources be maintained in perpetuity. The donors of these assets generally permit the Organization to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are contributions for which restrictions have not been met.

D. Contributions are recognized as revenue when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional pledges that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts, if any, is included in contributions and grants in the accompanying Statements of Activities and Net Assets. An allowance is made for uncollectible promises to give based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

Member support is billed annually at the beginning of the year. Member support is recognized as contribution revenue in the related membership year as members do not receive benefits in exchange for the support.

The Organization records non-cash contributions at their estimated fair market value at the date of the contribution. Contributed services are recognized if the services received (a) create or enhance nonfinancial assets and (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Many individuals volunteer time and perform a variety of tasks that assist the Organization with various administrative and program tasks. The value of this contributed time has not been reflected in these financial statements because it does not meet the criteria for recognition.

The Organization records private and government grants over the period of the award and the provisions of the grant determine the timing of revenue recognition. Government grants received by the Organization in the form of cost-reimbursable grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Private grants are unconditional contributions which may be restricted for a specific purpose. Amounts that have been earned but not received are included in grants receivable on the Statements of Financial Position.

**FEEDING GEORGIA, INC. F/K/A GEORGIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
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As of December 31, 2022 and 2021, management believes all receivables are fully collectible. Therefore, no allowance for doubtful accounts is recorded in the accompanying financial statements.

The Organization recognizes revenues from fundraising events in the period the event occurs. Amounts received prior to the event are reported as deferred revenue on the Statements of Financial Position.

E. At times, the Organization's cash balances may be in excess of federally insured limits. However, given the strength of the financial institution, management believes such excess deposits do not create significant loss exposure.

F. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Grants authorized and agency funds received but unpaid at year-end are reported as grants payable on the accompanying Statements of Financial Position and include grants to member food banks.

H. Deferred revenue represents ticket sales, contributions and sponsorships for the Wild Hog Supper, an annual fundraising event, held in the subsequent year.

I. The accompanying financial statements report certain categories of expenses that are attributable to one or more functions of the Organization, which are defined as program services, management and general, and fundraising. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and benefits are allocated on the basis of estimates of time and effort. The remainder of the expenses are primarily allocated through a specific identification to the functional expense category due to the nature of the expense.

J. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is classified as a Type 1 supporting organization, as described in Section 509(a)(3), and supports seven Georgia food banks. A representative of each member food bank comprises the Organization's Board of Directors. The Internal Revenue Service has classified the Organization as a publicly supported charitable organization as described in Section 509(a) of the Internal Revenue Code, which allows donors to take the maximum charitable contribution deduction.

K. Subsequent events have been evaluated by management through March 23, 2023, the date these financial statements were available to be issued.

**EEDING GEORGIA, INC. F/K/A GEORGIA**  
**FOOD BANK ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**2. LIQUIDITY**

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022 and 2021, comprise the following:

	<b>2022</b>	<b>2021</b>
Cash	\$ 266,337	\$ 325,516
Receivables	2,050,769	67,725
 Total financial assets available for general expenditure	 \$ 2,317,106	 \$ 393,241

The Organization has \$196,426 of cash available for capacity building expenditures in the next year.

**3. RESTRICTIONS ON NET ASSETS**

Net assets with restrictions at December 31, 2022 are summarized as follows:

<b>Restriction</b>	<b>December 31, 2021</b>	<b>Contributions</b>	<b>Releases</b>	<b>December 31, 2022</b>
Subject to donor restrictions for specified purpose				
Capacity building	\$ 24,503	\$ 5,295,000	\$ (5,123,077)	\$ 196,426
Total	\$ 24,503	\$ 5,295,000	\$ (5,123,077)	\$ 196,426

**FEEDING GEORGIA, INC. F/K/A GEORGIA  
FOOD BANK ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Net assets with restrictions at December 31, 2021 are summarized as follows:

<b>Restriction</b>	<b>December 31, 2020</b>	<b>Contributions</b>	<b>Releases</b>	<b>December 31, 2021</b>
Subject to donor restrictions for specified purpose				
Capacity building	\$ 10,000	\$ 175,000	\$ (160,497)	\$ 24,503
Military/veterans outreach	103,884	-	(103,884)	-
Government grants	30,000	-	(30,000)	-
Strategic planning	13,000	-	(13,000)	-
<b>Total</b>	<b>\$ 156,884</b>	<b>\$ 175,000</b>	<b>\$ (307,381)</b>	<b>\$ 24,503</b>

**4. CONCENTRATIONS**

During the years ended December 31, 2022 and 2021, approximately 89% and 53% of revenues and support was from one donor and three donors, respectively.

At December 31, 2022 and 2021, approximately 98% and 100% of receivables were due from one donor and three donors, respectively.

**5. EMPLOYEE BENEFIT PLAN**

The Organization established a new Simple IRA Plan ("Plan") effective January 1, 2021 for eligible employees with the Organization providing a 3% match for employee deferrals. During the years ended December 31, 2022 and 2021, the Organization contributed approximately \$6,524 and \$5,485 to the Plan, respectively.

**6. SOUTHEAST REGIONAL COOPERATIVE**

In 2017, the Organization led the pilot operations and formation of a seven state, 33 food bank regional cooperative to source and share excess donated produce among food banks in seven southeastern states (AL, MS, GA, FL, TN, NC, and SC). The Southeast Regional Cooperative ("SERC") subsequently incorporated as a separate Type 1 Supporting Organization of those food banks. In 2021, the Organization acted as the fiscal agent for grants from Feeding America to SERC. During the year ended December 31, 2021, the Organization provided SERC pass-through support of \$3,801,915. At December 31, 2021, grants payable included \$285,000 of agency funds collected as an agent for SERC. Their funds were remitted in January 2022. For the year ended December 31, 2022, the Organization no longer served as the fiscal agent for SERC as it received approval to receive grants directly from Feeding America.