

Coastal Roots Farm

Financial Statements

Years Ended September 30, 2022 and 2021



COASTAL ROOTS FARM

Financial Statements

Years Ended September 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Coastal Roots Farm

Opinion

We have audited the accompanying financial statements of Coastal Roots Farm (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Coastal Roots Farm as of September 30, 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 Coastal Roots Farm 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 Coastal Roots Farm's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

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 Coastal Roots Farm'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 Coastal Roots Farm'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.

Aldrich CPAs + Advisors LLP

San Diego, California
March 7, 2023

COASTAL ROOTS FARM
Statements of Financial Position
September 30, 2022 and 2021

ASSETS	<u>2022</u>	<u>2021</u>
Current Assets:		
Cash	\$ 703,258	\$ 731,143
Accounts receivable	767	1,371
Current portion of promises to give	33,667	53,554
Prepaid expenses	<u>5,554</u>	<u>7,618</u>
Total Current Assets	743,246	793,686
Property and Equipment, net of accumulated depreciation	<u>196,486</u>	<u>205,326</u>
Total Assets	<u>\$ 939,732</u>	<u>\$ 999,012</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 39,981	\$ 24,683
Accrued expenses	159,795	129,087
Current portion note payable	<u>-</u>	<u>24,625</u>
Total Current Liabilities	199,776	178,395
Note Payable, net of current portion	<u>-</u>	<u>224,565</u>
Total Liabilities	199,776	402,960
Net Assets:		
Without donor restrictions	592,502	296,398
With donor restrictions	<u>147,454</u>	<u>299,654</u>
Total Net Assets	<u>739,956</u>	<u>596,052</u>
Total Liabilities and Net Assets	<u>\$ 939,732</u>	<u>\$ 999,012</u>

COASTAL ROOTS FARM**Statement of Activities**

Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions	\$ 1,168,214	\$ 446,853	\$ 1,615,067
Farm income	518,342	-	518,342
Contributed nonfinancial assets	455,411	-	455,411
Paycheck Protection Program loan forgiveness	249,190	-	249,190
Loss on disposal	(5,728)	-	(5,728)
Net assets released from restrictions	599,053	(599,053)	-
Total Revenue and Support	2,984,482	(152,200)	2,832,282
Expenses:			
Program services:			
Production	1,093,991	-	1,093,991
Education	1,056,777	-	1,056,777
Other programs	107,684	-	107,684
Total Program Services	2,258,452	-	2,258,452
Supporting services:			
Management and general	243,197	-	243,197
Fundraising	186,729	-	186,729
Total Supporting Services	429,926	-	429,926
Total Expenses	2,688,378	-	2,688,378
Change in Net Assets	296,104	(152,200)	143,904
Net Assets, beginning	296,398	299,654	596,052
Net Assets, ending	\$ 592,502	\$ 147,454	\$ 739,956

See accompanying notes to financial statements.

COASTAL ROOTS FARM
Statement of Activities
Year Ended September 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions	\$ 1,039,520	\$ 580,736	\$ 1,620,256
Farm income	417,553	-	417,553
Contributed nonfinancial assets	315,942	-	315,942
Paycheck Protection Program loan forgiveness	207,327	-	207,327
Loss on disposal	(8,039)	-	(8,039)
Net assets released from restrictions	491,567	(491,567)	-
Total Revenue and Support	2,463,870	89,169	2,553,039
Expenses:			
Program services:			
Production	966,722	-	966,722
Education	679,519	-	679,519
Other programs	101,445	-	101,445
Total Program Services	1,747,686	-	1,747,686
Supporting services:			
Management and general	344,350	-	344,350
Fundraising	129,255	-	129,255
Total Supporting Services	473,605	-	473,605
Total Expenses	2,221,291	-	2,221,291
Change in Net Assets	242,579	89,169	331,748
Net Assets, beginning	53,819	210,485	264,304
Net Assets, ending	\$ 296,398	\$ 299,654	\$ 596,052

COASTAL ROOTS FARM
Statement of Functional Expenses
Year Ended September 30, 2022

	Program Services			Supporting Services		Total
	Production	Education	Other Programs	Management and General	Fundraising	
Payroll and related expenses	\$ 711,772	\$ 669,757	\$ 101,706	\$ 184,801	\$ 155,028	\$ 1,823,064
In-kind rent	234,014	211,160	-	-	-	445,174
Supplies	38,113	53,189	-	-	173	91,475
Other	14,715	51,137	1,711	4,794	6,723	79,080
Consulting	2,413	16,601	1,943	24,222	2,925	48,104
Depreciation	39,124	-	-	4,145	-	43,269
Insurance	9,017	6,239	-	11,100	2,029	28,385
Marketing	1,727	20,171	906	-	1,124	23,928
Repairs and maintenance	18,223	384	234	4,473	-	23,314
Utilities	15,728	2,454	-	2,292	-	20,474
Bank fees	2,959	11,288	100	1,211	2,331	17,889
System support	2,045	2,264	859	4,013	1,284	10,465
In-kind gifts	-	-	-	-	7,214	7,214
Conference	-	3,058	-	-	3,705	6,763
Meal and entertainment	551	2,028	-	1,791	2,348	6,718
Professional fees	330	3,599	-	-	1,845	5,774
Office	2,877	786	225	188	-	4,076
Cost of goods sold	338	2,662	-	-	-	3,000
Taxes	45	-	-	167	-	212
Total Expenses	\$ <u>1,093,991</u>	\$ <u>1,056,777</u>	\$ <u>107,684</u>	\$ <u>243,197</u>	\$ <u>186,729</u>	\$ <u>2,688,378</u>

See accompanying notes to financial statements.

COASTAL ROOTS FARM
Statement of Functional Expenses
Year Ended September 30, 2021

	Program Services			Supporting Services		Total
	Production	Education	Other Programs	Management and General	Fundraising	
Payroll and related expenses	\$ 692,347	\$ 455,315	\$ 81,900	\$ 232,219	\$ 107,054	\$ 1,568,835
In-kind rent	127,117	116,329	-	-	-	243,446
Supplies	44,667	54,127	430	283	9	99,516
Consulting	3,773	12,458	-	35,042	12,831	64,104
In-kind gifts	-	-	-	54,496	-	54,496
Depreciation	35,548	-	-	3,135	-	38,683
Other	8,263	8,775	3,906	625	3,870	25,439
Insurance	6,924	5,193	-	9,282	1,731	23,130
Repairs and maintenance	18,627	612	11	3,480	-	22,730
Utilities	18,554	2,654	-	316	-	21,524
Marketing	3,855	5,392	10,141	-	367	19,755
Bank fees	3,119	9,275	103	510	1,403	14,410
System support	1,591	6,879	1,577	2,902	-	12,949
Conference	-	283	3,377	200	288	4,148
Professional fees	325	896	-	-	1,345	2,566
Office	1,972	123	-	412	5	2,512
Meal and entertainment	40	1,208	-	334	352	1,934
Taxes	-	-	-	1,114	-	1,114
Total Expenses	\$ <u>966,722</u>	\$ <u>679,519</u>	\$ <u>101,445</u>	\$ <u>344,350</u>	\$ <u>129,255</u>	\$ <u>2,221,291</u>

See accompanying notes to financial statements.

COASTAL ROOTS FARM
Statements of Cash Flows
Years Ended September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 143,904	\$ 331,748
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	43,269	38,683
Loss on disposal of property and equipment	5,728	8,039
PPP loan forgiveness	(249,190)	(207,327)
Non-cash property and equipment additions	(3,023)	(10,500)
Changes in operating assets and liabilities:		
Accounts receivable	604	1,196
Promises to give	19,887	21,217
Prepaid expenses	2,064	982
Accounts payable	15,298	2,754
Accrued expenses	<u>30,708</u>	<u>53,621</u>
Net Cash Provided by Operating Activities	9,249	240,413
Cash Flows from Investing Activities:		
Purchases of property and equipment	(37,134)	(101,597)
Proceeds from sale of property and equipment	<u>-</u>	<u>15,499</u>
Net Cash Used by Investing Activities	(37,134)	(86,098)
Cash Flows Provided by Financing Activities:		
Proceeds from note payable	<u>-</u>	<u>249,190</u>
Net Increase (Decrease) in Cash	(27,885)	403,505
Cash, beginning	<u>731,143</u>	<u>327,638</u>
Cash, ending	<u>\$ 703,258</u>	<u>\$ 731,143</u>

COASTAL ROOTS FARM

Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

Coastal Roots Farm (the Farm), was formed as a tax exempt organization on October 17, 2014 and began operations on January 1, 2016. The Farm's mission is to cultivate healthy, connected communities by integrating sustainable agriculture, food justice, and ancient Jewish wisdom. The Farm is sustained by contributed income connected to its impact initiatives, Regenerative Agriculture, Equitable Food Access, Environmental Education, and Jewish Life.

New Accounting Pronouncement

In September 2020, the Financial Accounting Standard Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. The purpose of ASU 2020-07 is to clarify the presentation and disclosure of contributed nonfinancial assets with an intention to provide the reader of the financial statements a clearer understanding of what type of nonfinancial assets were received and how they are used and recognized by the Foundation. During the year ended September 30, 2022, the Farm adopted ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*.

Management has analyzed the provisions of the FASB's ASU Topic 958, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* and has included the necessary disclosure in Note 6.

Financial Statement Presentation

The financial statements of the Farm have been prepared in accordance with generally accepted accounting principles (US GAAP), which require the Farm to report information regarding its financial position and activities according to the following net asset classification:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Farm. These net assets may be used at the discretion of the Farm's management.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Farm or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. The Farm did not have any donor restrictions that were perpetual in nature for the years ended September 30, 2022 and 2021.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts Receivable

The accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at the end of the period, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. No allowance was considered necessary at September 30, 2022 and 2021, respectively, because management believes all amounts are collectible.

Unconditional Promises to Give

Promises to give that are expected to be collected within one year are recorded at their net realizable value. Promises to give that are expected to be collected in future years are discounted to their estimated net present value. After promises to give are originally recorded, an allowance for uncollectible promises to give may be established based on specific circumstances.

COASTAL ROOTS FARM

Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Property and Equipment

The Farm capitalizes all expenditures for property and equipment in excess of \$2,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of five to seven years.

Revenue Recognition

The Farm recognizes revenue in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Farm expects to be entitled in exchange for those goods or services.

The Farm earns revenue from contracts with customers through farm income which is comprised of revenues from the farm stand, composting, camps, and community events. Revenues are accounted for under ASC Topic 606. The Farm recognizes revenue from contracts with customers when its performance obligations are satisfied, regardless of the period in which it is billed. This is typically at the point in time when the performance obligation is completed. Sales contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards transfer.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (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 statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are satisfied within the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

Contributed Materials, Equipment and Services

Donated materials and equipment, with significant determinable values, are reflected as contributions in the accompanying financial statements at their estimated fair values at date of receipt. Such items are capitalized or charged to operations as appropriate. The Farm receives donated services from unpaid volunteers who assist in program services. No amounts have been recognized in the statements of activities for these services because the criteria for recognition as contributions of such volunteer efforts have not been satisfied. The fair market values of contributed professional services are reported as support and expense in the period in which the services are performed.

Fair Value Measurements

The Farm defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Farm applies fair value measurements to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs, and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

COASTAL ROOTS FARM

Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Fair Value Measurements, continued

As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

The carrying value of cash, receivables, and payables approximates fair value as of September 30, 2022 due to the relative short maturities of these instruments.

Income Taxes

The Farm is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from California franchise and income tax under section 23701(d) of the Revenue and Taxation code. However, the Farm remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

The Farm follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Farm recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that the Farm has no uncertain tax positions at September 30, 2022 and 2021 and therefore no amounts have been accrued.

The Farm files income tax returns in the United States and various state and local jurisdictions.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Payroll and related expenses and in-kind consulting services are allocated based off time and effort. All other expenses are broken out by accounts and can be directly charged to the appropriate function based on actual expenses.

Future Accounting Standard

The FASB issued a substantial ASU which will become effective during the year ended September 30, 2023.

In February 2016, the FASB issued ASU 2016-02 *Leases*. The primary change in US GAAP addressed by ASU 2016-02 is the requirement for a lessee to recognize on the statement of financial position a liability to make lease payments ("lease liability") and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 also requires qualitative and quantitative disclosures to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, although there are optional practical expedients that entities may elect to apply. The Farm is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

Subsequent Events

The Farm has evaluated subsequent events through March 7, 2023, which is the date the financial statements were available to be issued.

Note 2 – Concentrations

The Farm maintains cash accounts at various financial institutions. The balances at times may exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000.

COASTAL ROOTS FARM
Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 3 – Liquidity and Availability

The following reflects the Farm's financial assets as of the balance sheet date, reduced by amounts not available for general use due to contractual or donor-imposed restriction within one year of the statement of financial position date.

	<u>2022</u>	<u>2021</u>
Financial assets at year end:		
Cash	\$ 703,258	\$ 731,143
Accounts receivable	767	1,371
Promises to give	<u>33,667</u>	<u>53,554</u>
 Total Financial Assets	 737,692	 786,068
 Less amounts not available to be used within one year:		
Restricted by donor with purpose or time restrictions	<u>147,454</u>	<u>299,654</u>
 Financial assets available to meet cash needs for general expenditures within one year	 \$ <u>590,238</u>	 \$ <u>486,414</u>

The Farm has certain donor-restricted assets limited to use for programs or specific purpose which are ongoing, major and central to its annual operations which are available to meet cash needs for general expenditures for those programs and purposes within one year in the normal course of operations. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Farm considers all expenditures related to its ongoing activities to be general expenditures.

The Farm manages its liquidity and reserves through maintaining and reviewing budget to actual amounts and forecasted cash flows on a regular basis. The Farm also within a prudent range of financial soundness and stability and constantly maintains adequate liquid assets to fund near term operating needs.

Note 4 – Promises to Give

Promises to give consist of the following:

	<u>2022</u>	<u>2021</u>
Receivable in less than one year	\$ <u>33,667</u>	\$ <u>53,554</u>

No allowance was considered necessary at September 30, 2022 and 2021, respectively because management believes that all amounts are collectible. No discount was considered necessary at September 30, 2022 and 2021 due to the minimal effect it would have on the financial statements.

COASTAL ROOTS FARM
Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 5 – Property and Equipment

Property and equipment consist of the following:

	<u>2022</u>	<u>2021</u>
Machinery and equipment	\$ 315,496	\$ 277,600
Other	<u>46,754</u>	<u>54,208</u>
	362,250	331,808
Less accumulated depreciation	<u>(165,764)</u>	<u>(126,482)</u>
	<u>\$ 196,486</u>	<u>\$ 205,326</u>

Note 6 – Contribution Nonfinancial Assets

Contributed nonfinancial assets recognized within the statement of activities include:

	<u>2022</u>	<u>2021</u>
Rent	\$ 445,174	\$ 243,446
Food	7,214	-
Vehicles	3,023	10,500
Supplies	-	54,496
Services	<u>-</u>	<u>7,500</u>
Total contributed nonfinancial assets	<u>\$ 455,411</u>	<u>\$ 315,942</u>

The Farm recognized contributed nonfinancial assets within revenue, including rent, food, vehicles, supplies, and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed rent includes leasable real property that was utilized for program services. The Farm has recognized contributed rent equal to the fair market value of this rent for real property.

Contributed food and supplies were utilized for program and supporting services. In valuing food and supplies, the Farm estimated the fair value on the basis of comparable sales prices.

Contributed vehicles were utilized for program and supporting services. The Farm has recognized contributed vehicles equal to the fair market value for similar vehicles.

Contributed services include advertising services. These services are valued and reported at the estimated fair value in the financial statements based on current rates for similar advertising services.

In addition to amounts recognized in the statements of activities, management estimates the Farm received approximately 1,977 and 1,195 volunteer hours for the years ended September 30, 2022 and 2021, respectively.

COASTAL ROOTS FARM
Notes to Financial Statements

Year Ended September 30, 2022 and 2021

Note 7 – Restrictions on Net Assets

Net assets with donor restrictions consist of the following:

	2022	2021
Purpose restrictions:		
Education programs	\$ 71,264	\$ 136,694
Distribution program	65,190	46,259
Farm production	6,000	21,617
Vehicles and equipment	-	15,084
	<u>142,454</u>	<u>219,654</u>
Time restricted:		
General operating	<u>5,000</u>	<u>80,000</u>
	<u>\$ 147,454</u>	<u>\$ 299,654</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

	2022	2021
Purpose restrictions:		
Education programs	\$ 287,780	\$ 251,024
Distribution program	130,972	120,802
Farm production	85,217	21,993
Vehicles and equipment	15,084	55,916
Kubota	-	15,033
Other	-	1,799
	<u>519,053</u>	<u>466,567</u>
Time restricted:		
General operating	<u>80,000</u>	<u>25,000</u>
	<u>\$ 599,053</u>	<u>\$ 491,567</u>

Note 8 – Note Payable

On April 21, 2020, the Small Business Administration (SBA) approved a loan under the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief and Economic Security (CARES) Act in the amount of \$207,327. This provided relief and resources to fund payroll and certain other expenses. The loan was forgiven in full on April 30, 2021 and is included in PPP loan forgiveness in the statement of activities.

On February 1, 2021, the SBA approved a second PPP loan in the amount of \$249,190. The loan was forgiven in full on June 13, 2022 and is included in PPP loan forgiveness in the statement of activities.