

**MOBILE MEALS OF TOLEDO, INC.  
AND FOUNDATION**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2023 AND 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAcconnect.com](http://CLAcconnect.com)

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2023 AND 2022**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
<b>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</b>	<b>4</b>
<b>CONSOLIDATED STATEMENTS OF ACTIVITIES</b>	<b>5</b>
<b>CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>6</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS</b>	<b>8</b>
<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>9</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>CONSOLIDATING STATEMENTS OF FINANCIAL POSITION</b>	<b>24</b>
<b>CONSOLIDATING STATEMENTS OF ACTIVITIES</b>	<b>26</b>
<b>CONSOLIDATING STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>28</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Mobile Meals of Toledo, Inc. and Foundation  
Toledo, Ohio

### **Report on the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Mobile Meals of Toledo, Inc. and Foundation, which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, 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 consolidated financial position of Mobile Meals of Toledo, Inc. and Foundation as of June 30, 2023 and 2022, and the changes in their net assets and their 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 Mobile Meals of Toledo, Inc. and Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Mobile Meals of Toledo, Inc. and Foundation's ability to continue as a going concern for one year after the date 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 Mobile Meals of Toledo, Inc. and Foundation'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 Mobile Meals of Toledo, Inc. and Foundation'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.

Board of Directors  
Mobile Meals of Toledo, Inc. and Foundation

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Toledo, Ohio  
November 16, 2023

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 367,402	\$ 111,957
Investments	5,756,044	5,840,296
Subscriber Meals Receivable	158,333	165,901
Contributions Receivable	265,726	433,855
Inventories	68,641	111,426
Prepaid Expenses and Other Current Assets	2,602	3,062
Total Current Assets	6,618,748	6,666,497
<b>PROPERTY AND EQUIPMENT</b>		
Property and Equipment	913,850	929,636
Less: Accumulated Depreciation and Amortization	734,286	691,513
Net Property and Equipment	179,564	238,123
<b>OTHER ASSETS</b>		
Long-Term Investments	62,185	61,078
Operating Lease Right-of-Use Asset	72,606	-
Total Assets	\$ 6,933,103	\$ 6,965,698
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 29,925	\$ 68,000
Accrued Salaries and Vacation	55,013	63,038
Accrued and Withheld Payroll Taxes	1,793	1,847
Current Portion of Operating Lease Liability	49,001	-
Deferred Revenue	7,250	2,000
Total Current Liabilities	142,982	134,885
<b>OPERATING LEASE LIABILITY, LESS CURRENT PORTION</b>	23,605	-
Total Liabilities	166,587	134,885
<b>NET ASSETS</b>		
Without Donor Restrictions	6,670,435	6,736,491
With Donor Restrictions:		
Purpose Restrictions	33,896	33,244
Perpetual in Nature	62,185	61,078
Total Net Assets	6,766,516	6,830,813
Total Liabilities and Net Assets	\$ 6,933,103	\$ 6,965,698

See accompanying Notes to Consolidated Financial Statements.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2023 AND 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Contributions of Financial Assets and Grants	\$ 276,166	\$ -	\$ 276,166	\$ 628,458	\$ -	\$ 628,458
Contributions of Nonfinancial Assets	92,376	-	92,376	73,196	-	73,196
COVID Relief Grants	24,894	-	24,894	38,280	-	38,280
United Way of Greater Toledo	11,125	-	11,125	15,761	-	15,761
Program Service Fees	1,407,121	-	1,407,121	1,391,210	-	1,391,210
Unrealized and Realized Gains (Losses) on Investments	515,118	-	515,118	(1,008,409)	-	(1,008,409)
Special Events	44,360	-	44,360	44,377	-	44,377
Interest and Dividends, Net	74,254	1,759	76,013	72,664	1,664	74,328
Miscellaneous	(165)	-	(165)	561	-	561
Total Public Support and Revenue	2,445,249	1,759	2,447,008	1,256,098	1,664	1,257,762
<b>EXPENSES</b>						
Program Services	2,227,904	-	2,227,904	2,084,845	-	2,084,845
Supporting Services	283,401	-	283,401	297,162	-	297,162
Total Expenses	2,511,305	-	2,511,305	2,382,007	-	2,382,007
<b>CHANGE IN NET ASSETS</b>	(66,056)	1,759	(64,297)	(1,125,909)	1,664	(1,124,245)
Net Assets - Beginning of Year	6,736,491	94,322	6,830,813	7,862,400	92,658	7,955,058
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 6,670,435</u>	<u>\$ 96,081</u>	<u>\$ 6,766,516</u>	<u>\$ 6,736,491</u>	<u>\$ 94,322</u>	<u>\$ 6,830,813</u>

See accompanying Notes to Consolidated Financial Statements.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2023**

	Program Services	Supporting Services			2023 Combined Totals
	Meals	Admin	Fundraising	Total	Totals
Cost of Goods Sold	\$ 813,114	\$ -	\$ -	\$ -	\$ 813,114
Salaries and Wages	808,959	199,542	17,350	216,892	1,025,851
Payroll Taxes	63,417	14,421	1,397	15,818	79,235
Hospitalization Insurance	92,446	-	-	-	92,446
Workers Compensation Insurance	(7,553)	1,272	192	1,464	(6,089)
Retirement Plan	11,851	5,027	533	5,560	17,411
Insurance	44,512	2,325	1,187	3,512	48,024
Professional Services	37,127	-	2,242	2,242	39,369
Delivery	19,258	-	-	-	19,258
Lease	50,301	-	2,730	2,730	53,031
Equipment Maintenance	75,563	-	1,008	1,008	76,571
Telephone	4,716	-	-	-	4,716
Printing	4,633	-	2,654	2,654	7,287
Postage and Shipping	4,923	-	-	-	4,923
Supplies	4,227	-	4,488	4,488	8,715
Dues, Conferences, and Travel	5,417	-	114	114	5,531
Advertising	99,929	-	18,973	18,973	118,902
Miscellaneous	13,632	-	83	83	13,715
Grants Given	-	-	7,500	7,500	7,500
Depreciation and Amortization	69,050	-	-	-	69,050
Bad Debt Recovery	3,336	-	-	-	3,336
Bank Service Charges	9,046	-	363	363	9,409
<b>Total Functional Expenses</b>	<b><u>\$ 2,227,904</u></b>	<b><u>\$ 222,587</u></b>	<b><u>\$ 60,814</u></b>	<b><u>\$ 283,401</u></b>	<b><u>\$ 2,511,305</u></b>

See accompanying Notes to Consolidated Financial Statements.



**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2022**

	Program	Supporting Services			2022
	Services	Admin	Fundraising	Total	Combined
	Meals				Totals
Cost of Goods Sold	\$ 733,502	\$ -	\$ -	\$ -	\$ 733,502
Salaries and Wages	742,951	190,302	37,814	228,116	971,067
Payroll Taxes	58,794	13,868	2,859	16,727	75,521
Hospitalization Insurance	92,688	-	-	-	92,688
Workers Compensation Insurance	13,731	2,532	729	3,261	16,992
Retirement Plan	12,194	6,985	1,155	8,140	20,334
Insurance	42,809	2,158	355	2,513	45,322
Professional Services	36,311	-	-	-	36,311
Delivery	18,857	-	-	-	18,857
Lease	50,507	-	-	-	50,507
Equipment Maintenance	53,567	-	-	-	53,567
Telephone	4,708	-	-	-	4,708
Printing	3,172	-	2,588	2,588	5,760
Postage and Shipping	6,654	-	-	-	6,654
Supplies	2,449	-	1,979	1,979	4,428
Dues, Conferences, and Travel	6,510	-	90	90	6,600
Staff Training	166	-	-	-	166
Advertising	107,540	-	8,556	8,556	116,096
Miscellaneous	14,018	172	20	192	14,210
Grants Given	-	-	25,000	25,000	25,000
Depreciation and Amortization	70,970	-	-	-	70,970
Bad Debt	4,368	-	-	-	4,368
Bank Service Charges	8,379	-	-	-	8,379
<b>Total Functional Expenses</b>	<b>\$ 2,084,845</b>	<b>\$ 216,017</b>	<b>\$ 81,145</b>	<b>\$ 297,162</b>	<b>\$ 2,382,007</b>

See accompanying Notes to Consolidated Financial Statements.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (64,297)	\$ (1,124,245)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	69,050	70,970
Loss on Disposal of Property and Equipment	165	-
Unrealized and Realized Losses (Gains) on Investments	(515,118)	1,008,409
(Increase) Decrease in Assets:		
Subscriber Meals Receivable	7,568	(8,508)
Contributions Receivable	168,129	(421,000)
Inventories	42,785	(24,313)
Prepaid Expenses and Other Current Assets	460	3,419
Increase (Decrease) in Liabilities:		
Accounts Payable	(38,075)	16,481
Accrued Salaries and Vacation	(8,025)	(18,684)
Accrued and Withheld Payroll Taxes	(54)	(1,623)
Deferred Revenue	5,250	2,000
Net Cash Used by Operating Activities	(332,162)	(497,094)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(10,656)	(10,247)
Purchase of Investments	(584,310)	(1,059,581)
Proceeds from Sale of Investments	1,182,573	1,311,835
Net Cash Provided by Investing Activities	587,607	242,007
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	255,445	(255,087)
Cash and Cash Equivalents - Beginning of Year	111,957	367,044
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 367,402	\$ 111,957
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Obtaining Operating Right-of-Use Asset		
Operating Right-of-Use Asset	\$ (119,772)	\$ -
Operating Lease Liability	119,772	-
Total	\$ -	\$ -

See accompanying Notes to Consolidated Financial Statements.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Mobile Meals of Toledo, Inc. (the Organization), provides a community service of home delivered meals and groceries, whose goal is to enhance the quality of life of the disabled, elderly, convalescing, and chronically ill. Mobile Meals of Toledo, Inc., also provides pet food to clients with pets who are in need. Mobile Meals Foundation (the Foundation) manages the investments held by Mobile Meals of Toledo, Inc. The above entities are collectively referred to as the Organization. The Organization grants credit to customers, substantially all of whom are local area residents of the state of Ohio.

Significant accounting policies followed by the Organization are presented below.

**Basis of Accounting**

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting. Under this method of accounting, revenues and expenses are identified with specific periods of time and are recorded as incurred, along with acquired assets, without regard to the date of receipt or the payment of cash.

**Basis of Consolidation**

The accompanying consolidated financial statements present the consolidated financial position and results of operations and cash flows of Mobile Meals of Toledo, Inc., and the Foundation. The Foundation is affiliated with Mobile Meals of Toledo, Inc., due to the majority of the governing boards of both organizations being made up of the same members. As a result, the Foundation's financial statements have been consolidated with Mobile Meals of Toledo, Inc.'s financial statements. Intercompany transactions and balances, if any, have been eliminated in consolidation.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*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 Restriction* – We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as Net Assets Released from Restrictions.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

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

**Contributions of Financial Assets and Grants**

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions- this is, those with a measurable performance or other barrier and a right of return or release - are not recognized until the conditions on which they depend have been substantially met, regardless of the timing of cash receipt.

**Contributions of Nonfinancial Assets**

For the years ended June 30, contributed nonfinancial assets recognized within the consolidated statement of activities included:

	2023	2022
Services - Advertising	\$ 92,376	\$ 73,196

Contributed services recognized comprise donated television and newspaper advertising space. Contributed services are valued and reported at their estimated fair value in the consolidated financial statements based on current rates for similar services. Contributed nonfinancial assets did not have donor-imposed restrictions.

During the years ended June 30, 2023 and 2022, the Organization's operations were dependent on 653 and 465 volunteers, respectively, who contributed an estimated 11,500 and 9,300 hours, respectively, of their time each year to Organization sponsored programs. These services were not recognized in the consolidated financial statements because they did not meet the criteria for recognition as they were not specialized skills.

**Program Service Fees**

Program service fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to their program participants. These amounts are due from customers, third-party payors (including health insurers and government programs), and others. Generally, the Organization bills the customers and third-party payors monthly after the services are performed. Revenue is recognized at the point in time that the meals are delivered.

The following table provides information about significant changes in the contract assets and liabilities for the year ended June 30,

	2023	2022
Subscriber Meals Receivable, Beginning of Year	\$ 165,901	\$ 157,393
Change in Subscriber Meals Receivable	(7,568)	8,508
Subscriber Meals Receivable, End of Year	\$ 158,333	\$ 165,901

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

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

**Use of Estimates in Preparing Consolidated Financial Statements**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during each reporting period. The most significant areas involving the use of management's estimates and assumptions are depreciation of property and equipment and the allocation of expenses to program services, fundraising, management, and general activities. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity at date of purchase of three months or less to be cash equivalents. Cash equivalents, consisting of money market funds, amounted to \$317,879 and \$33,346 at June 30, 2023 and 2022, respectively.

The Organization maintains its cash, in one commercial bank. Balances on deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. At times, cash balances may be in excess of FDIC insurance limits. Management regularly monitors the financial condition of any institution at which it has depository accounts and believes the risk of loss is minimal.

**Investment Securities**

Investment securities represent mutual funds; U.S. Government notes, bonds and securities; and corporate bonds, and are recorded at fair value. Fair value is determined based upon quoted market values of the funds and securities. Investment securities acquired by gift or bequest are recorded at fair value on the date of gift and such amount is considered the cost of the security. Any realized gain or loss on sale of a security is determined using the cost basis of the security sold. Income from investments, including realized and unrealized gains and losses, is allocated among net assets with donor restrictions and without donor restrictions, based on donor restrictions or the absence thereof.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position.

**Accounts Receivable**

The Organization carries its accounts receivable at cost. An account is deemed delinquent when it becomes 30 days past due. The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for uncollectible accounts is required.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

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

**Accounts Receivable (Continued)**

On a regular basis, the Organization evaluates its accounts receivable. If amounts become uncollectible, they will be charged to operations when that determination is made. The Organization does not record finance charges on past due invoices or use an agency for collections.

**Inventory**

Inventory consists primarily of perishable and nonperishable consumer goods and is stated at the lower of cost (first-in, first-out) or net realizable value.

**Property and Equipment**

Property and equipment are stated at cost. The Organization capitalizes major additions to property and equipment at cost or fair value if acquired by gift, if individually greater than \$2,500. Depreciation of property and equipment is provided using the straight-line method based on the estimated useful lives of the individual assets ranging from 3 to 15 years.

**Impairment of Long-Lived Assets**

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by comparing the carrying amount of an asset to undiscounted net cash flows expected to be generated by the asset. 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.

**Leases**

The Organization leases its office and kitchen space under a lease agreement accounted for as an operating lease. The Organization also leases space for fundraising activities for limited periods of time. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the consolidated statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the consolidated statements of financial position.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

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

**Leases (Continued)**

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

**Advertising**

Advertising costs are expensed when incurred. Advertising expenses were \$118,902 and \$116,096 for the years ended June 30, 2023 and 2022, respectively. See Note 1, contribution of nonfinancial assets, for in-kind contributed advertising.

**Functional Expenses**

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Each expense is allocated using a method that is appropriate to the manner in which the expense is accrued. Salaries, wages, taxes and, benefits, are allocated directly to the proper program, department, administrative, or fundraising category based on hours spent on each. Shared direct expenses are allocated based on the percentage of total staff hours spent in each program area, which includes occupancy costs, technology, equipment, telephone, postage, and office supplies.

**Income Taxes**

Mobile Meals of Toledo, Inc., and the Foundation are each exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and have been determined not to be private foundations (within the meaning of Section 509(a) of the IRC). As such, no provision for income tax expense has been made in the accompanying consolidated financial statements. The IRC provides for taxation of unrelated business income under certain circumstances. The Organization reports no net unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities.

The Organization follows the income tax standard for uncertain tax positions. This standard had no effect on the Organization's consolidated financial statements. Management has determined that they have no uncertain tax positions as of June 30, 2023 and 2022.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

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

**Change in Accounting Principles**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases (ASC 842)*. The new standard increases transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the balance sheet. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective July 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB ASC 840.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

The standard had a material impact on the consolidated statement of financial position but did not have an impact on the consolidated statement of activities, nor consolidated statements of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

**Subsequent Events**

Management evaluated subsequent events through November 16, 2023, the date the consolidated financial statements were available to be issued.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities of programs, contracts, and overhead to support the mission.



**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)**

At June 30, the Organization's financial resources were earmarked as follows:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 367,402	\$ 111,957
Investments	5,818,229	5,901,374
Accounts Receivable	158,333	165,901
Contributions Receivable	<u>265,726</u>	<u>433,855</u>
Total Financial Assets	6,609,690	6,613,087
Less Amounts Not Available to be used Within One Year:		
Net Assets with Purpose Restrictions	33,896	33,244
Net Assets Perpetual in Nature	<u>62,185</u>	<u>61,078</u>
 Financial Assets Available to Meet Expenditures Within One Year	 <u>\$ 6,513,609</u>	 <u>\$ 6,518,765</u>

The receivables are subject to time restrictions but will be collected within one year. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures through contributions, grants, and program service fees.

**NOTE 3 INVESTMENTS**

The Foundation's investments aggregate carrying amounts are summarized by the major investment types. Investment expenses are netted against investment returns (interest and dividends) and amounted to \$29,281 and \$35,706 for the years ended June 30, 2023 and 2022, respectively. All of the investment types are carried at their readily determinable fair values and are comprised of the following at June 30:

	<u>2023</u>	<u>2022</u>
Equity Mutual Funds	\$ 3,306,404	\$ 3,167,238
International Equity Mutual Funds	813,112	782,182
U.S. Government Notes and Bonds	495,024	632,523
Government Agency Securities	137,566	163,482
Corporate Bonds	69,820	95,887
Bond Funds - Taxable	651,650	1,035,011
Certificate of Deposit	<u>344,653</u>	<u>25,051</u>
Total	5,818,229	5,901,374
Less: Long-Term Portion	<u>62,185</u>	<u>61,078</u>
Investments, Net of Long-Term Portion	 <u>\$ 5,756,044</u>	 <u>\$ 5,840,296</u>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 3 INVESTMENTS (CONTINUED)**

Investment return consists of the following for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Unrealized and Realized Gains (Losses)	\$ 515,118	\$ (1,008,409)
Interest and Dividends	105,294	110,034
Total	<u>620,412</u>	<u>(898,375)</u>
Less: Investment Expenses	29,281	35,706
Total Investment Return (Loss)	<u>\$ 591,131</u>	<u>\$ (934,081)</u>

**NOTE 4 PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Vehicles	\$ 394,198	\$ 395,337
Equipment	445,443	443,042
Software	-	19,779
Leasehold Improvements	74,209	71,478
Total Property and Equipment	<u>913,850</u>	<u>929,636</u>
Less: Accumulated Depreciation and Amortization	734,286	691,513
Net Property and Equipment	<u>\$ 179,564</u>	<u>\$ 238,123</u>

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as of June 30:

	<u>2023</u>	<u>2022</u>
Purpose Restrictions:		
Staff Support and Enrichment	\$ 33,896	\$ 33,244
Perpetual in Nature:		
Endowed Funds	62,185	61,078
Total	<u>\$ 96,081</u>	<u>\$ 94,322</u>

No net assets were released from donor restrictions by incurring expense satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the years ended June 30, 2023 and 2022.

Net assets perpetual in nature consists of the Carol G. Hoover Memorial Fund (Hoover Fund), and the Rose Mary and Leo Ball Memorial Fund (Ball Fund). Based on the donor's wishes, one fourth of the annual interest earned from the Hoover Fund will be added to the Hoover Fund's corpus and three fourths of the annual interest earned from the Ball Fund is restricted for staff support and enrichment. See additional detail regarding these endowments in Note 10.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 6 CONCENTRATIONS**

In 2023, a significant portion of the Organization's revenue comes from the senior levy and from the state of Ohio through Aetna and Buckeye. These three programs made up 36% of the Organization's 2023 revenue prior to net investment gain or loss. In 2022, a significant portion of the Organization's revenue comes from the state of Ohio through Aetna and Buckeye. These two programs made up 24% of the Organization's 2022 revenue prior to net investment gain or loss.

**NOTE 7 OPERATING LEASES**

**ASC 842**

The Organization leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through December 2024 and provide for renewal options of five years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

The following table provides quantitative information concerning the Organization's leases.

	<u>2023</u>
Lease Cost:	
Operating Lease Costs	\$ 49,866
Other Information:	
Operating Cash Flows from Operating Leases	\$ 49,866
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ 119,772
Weighted-Average Remaining Lease Term - Operating Leases	1.5 Years
Weighted-Average Discount Rate - Operating Leases	2.88%

The Company classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2023, is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 50,341
2025	23,745
Total Lease Payments	<u>74,086</u>
Less: Interest	1,480
Present Value of Lease Liabilities	<u><u>\$ 72,606</u></u>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 7 OPERATING LEASES (CONTINUED)**

**ASC 840**

The Organization leases its office and kitchen space under a lease agreement accounted for as an operating lease. The Organization also leases space for fundraising activities for limited periods of time. The existing office lease is for a noncancellable term, expiring on December 31, 2024. The agreement also includes one optional extension of five years.

The future minimum lease payments under the operating leases as of June 30, 2022 consist of the following:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 44,640
2024	44,640
2025	22,320
Total	<u>\$ 111,600</u>

Lease expense for the year ended June 30, 2022 totaled \$50,507.

**NOTE 8 RETIREMENT PLANS**

Two active and five former employees of the Organization are covered under a multiemployer defined benefit plan of the Employee Benefit Plan of the United Way of Greater Toledo and Affiliated Agencies (E.I.N. 34-4427947). This defined benefit plan has had frozen benefits since December 31, 2003, and accrual of benefits ceased. A pension contribution was charged to operations at both June 30, 2023 and 2022, in the amount of \$10,659 and \$7,885, respectively, to fulfill minimum funding requirements, and is included in retirement plan expense in the accompanying consolidated statements of functional expenses.

The risks of participating in multi-employer plans are different from single employer plans in the following aspects:

- a) Assets contributed to the multi-employer plan by one organization may be used to provide benefits to employees of other participating organizations.
- b) If a participating organization stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating organizations.
- c) If the Organization stops participating in some, or all of the multi-employer plan, and continues in business, the Organization could be required to pay an amount, referred to as withdrawal liability, based on the unfunded status of the plan. The Organization has no intention of stopping its participation in its multi-employer plan.

The termination liability for the defined benefit plan, upon which annual minimum funding requirements are based, was approximately \$38.8 million at January 1, 2023, and the estimated assets were \$33.2 million, which leaves an unfunded balance of approximately \$5.6 million. The Organization is responsible for the contribution requirement for 2024 of .60% of the funding policy required amount or approximately \$7,855.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 8 RETIREMENT PLANS (CONTINUED)**

The Organization also participates in a 403(b) retirement plan. All employees are eligible to participate in employee deferrals within the 403(b) plan immediately after service begins. Full time employees are eligible to receive matching contributions after one year and part time employees after 1,000 hours of service in a consecutive 12 month period. The employer matching contributions were equal to 50% of the first 6% of salary deferrals made by the participant. Expenses related to the plan amounted to \$6,752 and \$12,449 for the years ended June 30, 2023 and 2022, respectively.

**NOTE 9 FAIR VALUE MEASUREMENTS**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value. The term “fair value hierarchy” refers to the relative reliability of inputs to a fair value measurement. Generally, the lower the level of input for a fair value measurement, the more extensive the disclosure requirement.

The three-level fair value hierarchy prioritizes the inputs to valuation technique used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

*Level 1* – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in active markets or markets that are not active, such as dealer or broker markets.

*Level 3* – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

There were no financial instruments measured at fair value that moved to a lower level in the fair value hierarchy due to the lack of observable quotes in inactive markets for those instruments at June 30, 2023 and 2022.

Certain financial assets and liabilities are measured at fair value on a recurring basis while others are measured on a nonrecurring basis. The Organization had no assets or liabilities measured on a nonrecurring basis at June 30, 2023 and 2022.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 9 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following tables summarize financial assets (there were no financial liabilities) measured at fair value as of June 30, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	2023			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Equity Mutual Funds	\$ 3,306,404	\$ -	\$ -	\$ 3,306,404
International Equity Mutual Funds	813,112	-	-	813,112
U.S. Government Notes and Bonds	-	495,024	-	495,024
Government Agency Securities	-	137,566	-	137,566
Corporate Bonds	-	69,820	-	69,820
Bond Funds - Taxable	651,650	-	-	651,650
Certificate of Deposit	344,653	-	-	344,653
Total Investments	<u>\$ 5,115,819</u>	<u>\$ 702,410</u>	<u>\$ -</u>	<u>\$ 5,818,229</u>

  

	2022			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Equity Mutual Funds	\$ 3,167,238	\$ -	\$ -	\$ 3,167,238
International Equity Mutual Funds	782,182	-	-	782,182
U.S. Government Notes and Bonds	-	632,523	-	632,523
Government Agency Securities	-	163,482	-	163,482
U.S. Treasury Bills	-	95,887	-	95,887
Corporate Bonds	1,035,011	-	-	1,035,011
Bond Funds - Taxable	25,051	-	-	25,051
Total Investments	<u>\$ 5,009,482</u>	<u>\$ 891,892</u>	<u>\$ -</u>	<u>\$ 5,901,374</u>

The following is a description of the valuation methodologies used for significant instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy:

**Investment Securities**

Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities would typically include government bonds and exchange traded equities. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. Examples of such instruments, which would generally be classified within Level 2 of the valuation hierarchy, include corporate and municipal bonds, mortgage-backed securities, and asset-backed securities. In certain cases where there is limited activity or less transparency around inputs to the valuation, securities are classified within Level 3 of the valuation hierarchy. The Organization did not have any securities classified as Level 3 at June 30, 2023 and 2022.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 10 ENDOWMENTS**

The Foundation has two permanently restricted endowment funds – the Hoover Fund and the Ball Fund. Both were established by donors to support the Organization’s needs related to operations and staff support and enrichment. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Our board of directors (the board) has interpreted the Ohio Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

The following summarizes endowment net asset composition by type of fund as of June 30:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds: Amount Required to be Maintained in Perpetuity by Donor	<u>\$ -</u>	<u>\$ 62,185</u>	<u>\$ 62,185</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds: Amount Required to be Maintained in Perpetuity by Donor	<u>\$ -</u>	<u>\$ 61,078</u>	<u>\$ 61,078</u>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023 AND 2022**

**NOTE 10 ENDOWMENTS (CONTINUED)**

Changes in endowment net assets for the years ended June 30, 2023 and 2022 are as follows:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ -	\$ 61,078	\$ 61,078
Investment Return, Net	-	31,203	31,203
Transfer	30,096	(30,096)	-
Addition	(30,096)	-	(30,096)
Total Endowment Net Assets -End of Year	<u>\$ -</u>	<u>\$ 62,185</u>	<u>\$ 62,185</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ -	\$ 60,031	\$ 60,031
Investment Loss, Net	-	(40,909)	(40,909)
Transfer	(41,956)	41,956	-
Withdrawals	41,956	-	41,956
Total Endowment Net Assets -End of Year	<u>\$ -</u>	<u>\$ 61,078</u>	<u>\$ 61,078</u>

No underwater endowments existed at June 30, 2023 and 2022.

**Return Objectives and Risk Parameters**

The Foundation's endowment funds are held in brokerage accounts (see Note 3). The board has established the following policies related to their investment accounts:

- Overall investment objective: The prudent management of funds in such a way that will ensure the long-term financial viability of Mobile Meals of Toledo, Inc. The board's policies emphasize generating capital appreciation, rather than current income.
- The board is responsible for the investment policies related to these endowments. At least quarterly, the board will review absolute market and total portfolio returns, asset allocation structure, and adherence to the established guidelines. At least annually, the board will review actual performance versus established benchmarks and the continuing appropriateness of the investment policies.
- Asset allocation risks: The investment policy established by the board requires a mix of 60% to 70% equity instruments, 20% to 30% fixed income instruments, and no more than 10% cash or cash equivalents. All assets are to be well diversified among economic sectors, industry groups, and individual securities to avoid undue exposure to any single economic sector or individual issuer.



**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**NOTE 10 ENDOWMENTS (CONTINUED)**

**Strategies Employed for Achieving Objectives**

The Foundation relies on the established investment policies listed above to achieve its long-term objectives related to its endowment accounts.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

In accordance with donors' wishes, the Foundation has established a spending policy related to the endowment funds that it holds. The Organization can use three fourths of the annual interest earned from the Carol G. Hoover Memorial Fund and all of the annual interest earned from the Rose Mary and Leo Ball Memorial Fund and all of the unrealized and realized gains and losses, net of any fees and charges, from both funds for purposes designated by the board, and for staff support and enrichment.

The Foundation seeks to establish a reasonable spending policy to ensure that the funds entrusted to it will keep pace with inflation and remain in perpetuity for the benefit of Mobile Meals of Toledo, Inc. The policy seeks to balance the needs of the Organization, the preservation of purchasing power, and to maintain the real value of the funds. Authorized withdrawals from the fund will be based on 5% of a rolling 12-quarter average ending on December 31st of each year. Authorized distributions from the fund may include income and net capital appreciation, defined as realized and unrealized gains and losses. The board shall have discretion over the calculation of distributions each year. This discretion is not limited to the percentage used, the 12-quarter average, or the needs of the Organization. The annual review and approval of the spending policy shall be made only upon the written approval of the board.

The Organization accumulated funds based on the Standards for Charity Accountability of the Northwestern Ohio and Southeastern Michigan Better Business Bureau as of July 2010, which states the Organization's unrestricted net assets available for use should not be more than three times the (approximate) size of the past year's expenses or three times the (approximate) size of the current year's budget, whichever is higher.

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>ASSETS</b>	<u>Consolidated</u>	<u>Eliminations</u>	<u>Mobile Meals of Toledo, Inc.</u>	<u>Mobile Meals Foundation</u>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 367,402	\$ -	\$ 102,336	\$ 265,066
Investments	5,756,044	-	-	5,756,044
Subscriber Meals Receivable	158,333	-	158,333	-
Contributions Receivable	265,726	-	265,726	-
Inventories	68,641	-	68,641	-
Prepaid Expenses and Other Current Assets	2,602	-	2,602	-
Total Current Assets	<u>6,618,748</u>	<u>-</u>	<u>597,638</u>	<u>6,021,110</u>
<b>PROPERTY AND EQUIPMENT</b>				
Property and Equipment	913,850	-	913,850	-
Less: Accumulated Depreciation and Amortization	<u>734,286</u>	<u>-</u>	<u>734,286</u>	<u>-</u>
Net Property and Equipment	<u>179,564</u>	<u>-</u>	<u>179,564</u>	<u>-</u>
<b>OTHER ASSETS</b>				
Long-Term Investments	62,185	-	-	62,185
Operating Lease Right-of-Use Asset	<u>72,606</u>	<u>-</u>	<u>72,606</u>	<u>-</u>
Total Other Assets	<u>134,791</u>	<u>-</u>	<u>72,606</u>	<u>62,185</u>
Total Assets	<u>\$ 6,933,103</u>	<u>\$ -</u>	<u>\$ 849,808</u>	<u>\$ 6,083,295</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 29,925	\$ -	\$ 29,925	\$ -
Accrued Salaries and Vacation	55,013	-	55,013	-
Accrued and Withheld Payroll Taxes	1,793	-	1,793	-
Current Portion of Operating Lease Liability	49,001	-	49,001	-
Deferred Revenue	<u>7,250</u>	<u>-</u>	<u>7,250</u>	<u>-</u>
Total Current Liabilities	<u>142,982</u>	<u>-</u>	<u>142,982</u>	<u>-</u>
<b>OPERATING LEASE LIABILITY, LESS CURRENT PORTION</b>				
Total Liabilities	<u>23,605</u>	<u>-</u>	<u>23,605</u>	<u>-</u>
Total Liabilities	<u>166,587</u>	<u>-</u>	<u>166,587</u>	<u>-</u>
<b>NET ASSETS</b>				
Without Donor Restrictions	6,670,435	-	683,221	5,987,214
With Donor Restrictions:				
Purpose Restrictions	33,896	-	-	33,896
Perpetual in Nature	<u>62,185</u>	<u>-</u>	<u>-</u>	<u>62,185</u>
Total Net Assets	<u>6,766,516</u>	<u>-</u>	<u>683,221</u>	<u>6,083,295</u>
Total Liabilities and Net Assets	<u>\$ 6,933,103</u>	<u>\$ -</u>	<u>\$ 849,808</u>	<u>\$ 6,083,295</u>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>ASSETS</b>	<u>Consolidated</u>	<u>Eliminations</u>	<u>Mobile Meals of Toledo, Inc.</u>	<u>Mobile Meals Foundation</u>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 111,957	\$ -	\$ 90,917	\$ 21,040
Investments	5,840,296	-	-	5,840,296
Subscriber Meals Receivable	165,901	-	165,901	-
Contributions Receivable	433,855	-	433,855	-
Inventories	111,426	-	111,426	-
Prepaid Expenses and Other Current Assets	3,062	-	3,062	-
Total Current Assets	<u>6,666,497</u>	<u>-</u>	<u>805,161</u>	<u>5,861,336</u>
<b>PROPERTY AND EQUIPMENT</b>				
Property and Equipment	929,636	-	929,636	-
Less: Accumulated Depreciation and Amortization	<u>691,513</u>	<u>-</u>	<u>691,513</u>	<u>-</u>
Net Property and Equipment	<u>238,123</u>	<u>-</u>	<u>238,123</u>	<u>-</u>
<b>OTHER ASSETS</b>				
Long-Term Investments	<u>61,078</u>	<u>-</u>	<u>-</u>	<u>61,078</u>
Total Other Assets	<u>61,078</u>	<u>-</u>	<u>-</u>	<u>61,078</u>
Total Assets	<u><u>\$ 6,965,698</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,043,284</u></u>	<u><u>\$ 5,922,414</u></u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 68,000	\$ -	\$ 68,000	\$ -
Accrued Salaries and Vacation	63,038	-	63,038	-
Accrued and Withheld Payroll Taxes	1,847	-	1,847	-
Deferred Revenue	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Total Current Liabilities	<u>134,885</u>	<u>-</u>	<u>134,885</u>	<u>-</u>
<b>NET ASSETS</b>				
Without Donor Restrictions	6,736,491	-	908,399	5,828,092
With Donor Restrictions:				
Purpose Restrictions	33,244	-	-	33,244
Perpetual in Nature	<u>61,078</u>	<u>-</u>	<u>-</u>	<u>61,078</u>
Total Net Assets	<u>6,830,813</u>	<u>-</u>	<u>908,399</u>	<u>5,922,414</u>
Total Liabilities and Net Assets	<u><u>\$ 6,965,698</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,043,284</u></u>	<u><u>\$ 5,922,414</u></u>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Without Donor Restrictions			With Donor Restrictions				
	Consolidated	Eliminations	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total
<b>PUBLIC SUPPORT AND REVENUE</b>								
Contributions of Financial Assets and Grants	\$ 276,166	\$ -	\$ 276,166	\$ -	\$ 276,166	\$ -	\$ -	\$ -
Contributions of Nonfinancial Assets	92,376	-	92,376	-	92,376	-	-	-
COVID Relief Grants	24,894	-	24,894	-	24,894	-	-	-
United Way of Greater Toledo	11,125	-	11,125	-	11,125	-	-	-
Program Service Fees	1,407,121	-	1,407,121	-	1,407,121	-	-	-
Unrealized and Realized								
Gain on Sale of Investments	515,118	-	-	515,118	515,118	-	-	-
Special Events	44,360	-	44,360	-	44,360	-	-	-
Interest and Dividends, Net	76,013	-	-	74,254	74,254	-	1,759	1,759
Miscellaneous	(165)	-	(165)	-	(165)	-	-	-
Transfers	-	-	430,250	(430,250)	-	-	-	-
Total Public Support and Revenue	2,447,008	-	2,286,127	159,122	2,445,249	-	1,759	1,759
<b>EXPENSES</b>								
Program Services	2,227,904	-	2,227,904	-	2,227,904	-	-	-
Supporting Services	283,401	-	283,401	-	283,401	-	-	-
Total Expenses	2,511,305	-	2,511,305	-	2,511,305	-	-	-
<b>INCREASE (DECREASE) IN NET ASSETS</b>								
	(64,297)	-	(225,178)	159,122	(66,056)	-	1,759	1,759
Net Assets - Beginning of Year	6,830,813	-	908,399	5,828,092	6,736,491	-	94,322	94,322
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 6,766,516</b>	<b>\$ -</b>	<b>\$ 683,221</b>	<b>\$ 5,987,214</b>	<b>\$ 6,670,435</b>	<b>\$ -</b>	<b>\$ 96,081</b>	<b>\$ 96,081</b>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Without Donor Restrictions					With Donor Restrictions		
	Consolidated	Eliminations	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total
<b>PUBLIC SUPPORT AND REVENUE</b>								
Contributions of Financial Assets and Grants	\$ 628,458	\$ -	\$ 628,458	\$ -	\$ 628,458	\$ -	\$ -	\$ -
Contributions of Nonfinancial Assets	73,196	-	73,196	-	73,196	-	-	-
COVID Relief Grants	38,280	-	38,280	-	38,280	-	-	-
United Way of Greater Toledo	15,761	-	15,761	-	15,761	-	-	-
Program Service Fees	1,391,210	-	1,391,210	-	1,391,210	-	-	-
Unrealized and Realized Loss on Sale of investments	(1,008,409)	-	-	(1,008,409)	(1,008,409)	-	-	-
Special Events	44,377	-	44,377	-	44,377	-	-	-
Interest and Dividends, Net	74,328	-	-	72,664	72,664	-	1,664	1,664
Miscellaneous	561	-	561	-	561	-	-	-
Transfers	-	-	583,000	(583,000)	-	-	-	-
Total Public Support and Revenue	1,257,762	-	2,774,843	(1,518,745)	1,256,098	-	1,664	1,664
<b>EXPENSES</b>								
Program Services	2,084,845	-	2,084,845	-	2,084,845	-	-	-
Supporting Services	297,162	-	297,162	-	297,162	-	-	-
Total Expenses	2,382,007	-	2,382,007	-	2,382,007	-	-	-
<b>INCREASE (DECREASE) IN NET ASSETS</b>								
	(1,124,245)	-	392,836	(1,518,745)	(1,125,909)	-	1,664	1,664
Net Assets - Beginning of Year	7,955,058	-	515,563	7,346,837	7,862,400	-	92,658	92,658
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 6,830,813</b>	<b>\$ -</b>	<b>\$ 908,399</b>	<b>\$ 5,828,092</b>	<b>\$ 6,736,491</b>	<b>\$ -</b>	<b>\$ 94,322</b>	<b>\$ 94,322</b>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Program Services					Supporting Services		
	Consolidated	Eliminations	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total
Cost of Goods Sold	\$ 813,114	\$ -	\$ 813,114	\$ -	\$ 813,114	\$ -	\$ -	\$ -
Salaries and Wages	1,025,851	-	808,959	-	808,959	216,892	-	216,892
Payroll Taxes	79,235	-	63,417	-	63,417	15,818	-	15,818
Hospitalization Insurance	92,446	-	92,446	-	92,446	-	-	-
Workers Compensation Insurance	(6,089)	-	(7,553)	-	(7,553)	1,464	-	1,464
Retirement Plan	17,411	-	11,851	-	11,851	5,560	-	5,560
Insurance	48,024	-	44,512	-	44,512	3,512	-	3,512
Professional Services	39,369	-	37,127	-	37,127	2,242	-	2,242
Delivery	19,258	-	19,258	-	19,258	-	-	-
Lease	53,031	-	50,301	-	50,301	2,730	-	2,730
Equipment Maintenance	76,571	-	75,563	-	75,563	1,008	-	1,008
Telephone	4,716	-	4,716	-	4,716	-	-	-
Printing	7,287	-	4,633	-	4,633	2,654	-	2,654
Postage and Shipping	4,923	-	4,923	-	4,923	-	-	-
Supplies	8,715	-	4,227	-	4,227	4,488	-	4,488
Dues, Conferences, and Travel	5,531	-	5,417	-	5,417	114	-	114
Advertising	118,902	-	99,929	-	99,929	18,973	-	18,973
Miscellaneous	13,715	-	13,632	-	13,632	83	-	83
Grants Given	7,500	-	-	-	-	7,500	-	7,500
Depreciation and Amortization	69,050	-	69,050	-	69,050	-	-	-
Bad Debt Recovery	3,336	-	3,336	-	3,336	-	-	-
Bank Service Charges	9,409	-	9,046	-	9,046	363	-	363
<b>Total Functional Expenses</b>	<b>\$ 2,511,305</b>	<b>\$ -</b>	<b>\$ 2,227,904</b>	<b>\$ -</b>	<b>\$ 2,227,904</b>	<b>\$ 283,401</b>	<b>\$ -</b>	<b>\$ 283,401</b>

**MOBILE MEALS OF TOLEDO, INC. AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Program Services			Supporting Services				
	Consolidated	Eliminations	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total	Mobile Meals of Toledo, Inc.	Mobile Meals Foundation	Total
Cost of Goods Sold	\$ 733,502	\$ -	\$ 733,502	\$ -	\$ 733,502	\$ -	\$ -	\$ -
Salaries and Wages	971,067	-	742,951	-	742,951	228,116	-	228,116
Payroll Taxes	75,521	-	58,794	-	58,794	16,727	-	16,727
Hospitalization Insurance	92,688	-	92,688	-	92,688	-	-	-
Workers Compensation Insurance	16,992	-	13,731	-	13,731	3,261	-	3,261
Retirement Plan	20,334	-	12,194	-	12,194	8,140	-	8,140
Insurance	45,322	-	42,809	-	42,809	2,513	-	2,513
Professional Services	36,311	-	36,311	-	36,311	-	-	-
Delivery	18,857	-	18,857	-	18,857	-	-	-
Lease	50,507	-	50,507	-	50,507	-	-	-
Equipment Maintenance	53,567	-	53,567	-	53,567	-	-	-
Telephone	4,708	-	4,708	-	4,708	-	-	-
Printing	5,760	-	3,172	-	3,172	2,588	-	2,588
Postage and Shipping	6,654	-	6,654	-	6,654	-	-	-
Supplies	4,428	-	2,449	-	2,449	1,979	-	1,979
Dues, Conferences, and Travel	6,600	-	6,510	-	6,510	90	-	90
Staff Training	166	-	166	-	166	-	-	-
Advertising	116,096	-	107,540	-	107,540	8,556	-	8,556
Miscellaneous	14,210	-	14,018	-	14,018	192	-	192
Grants Given	25,000	-	-	-	-	25,000	-	25,000
Depreciation and Amortization	70,970	-	70,970	-	70,970	-	-	-
Bad Debt	4,368	-	4,368	-	4,368	-	-	-
Bank Service Charges	8,379	-	8,379	-	8,379	-	-	-
Total Functional Expenses	\$ 2,382,007	\$ -	\$ 2,084,845	\$ -	\$ 2,084,845	\$ 297,162	\$ -	\$ 297,162



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.