

FOOD FOR FREE COMMITTEE, INC.

FINANCIAL STATEMENTS

For The Year Ended December 31, 2009

2009
Review

019528

REGISTERED PROFESSIONAL ACCOUNTANT

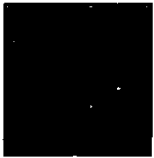
JOSEPH A. RICHMOND, P.C.

FOOD FOR FREE COMMITTEE, INC.
FINANCIAL STATEMENTS
For The Year Ended December 31, 2009

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2009
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To the Board of Directors
Food For Free Committee, Inc.

We have reviewed the accompanying Statement of Financial Position of Food For Free Committee, Inc. (a nonprofit organization) as of December 31, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Food For Free Committee, Inc.

A review consists principally of inquires of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Joseph A. Richmond, P.C.

Joseph A. Richmond, P.C.

April 28, 2010



FOOD FOR FREE COMMITTEE, INC.
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2009

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	Unrestricted Funds	Temporarily Restricted Funds	Total
Changes in Net Assets:			
Support and Revenues:			
Contracts and grants	\$ 178,431	\$ -	\$ 178,431
Donations	127,635	1,000	128,635
Fundraising	99,998	-	99,998
Investment and other income	283	-	283
Realized and unrealized gains and losses	196	-	196
	406,543	1,000	407,543
Expenses:			
Program and support services:			
Program	132,204	-	132,204
Management and general	83,642	-	83,642
Fundraising	46,942	-	46,942
	262,788	-	262,788
Change in net assets	143,755	1,000	144,755
Net Assets, beginning of year	161,830	-	161,830
Net Assets, end of year	\$ 305,585	\$ 1,000	\$ 306,585

-- SEE ACCOUNTANT'S REVIEW REPORT --
 -- SEE NOTES TO FINANCIAL STATEMENTS --

FOOD FOR FREE COMMITTEE, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2009

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	Program	Management and General	Fundraising	Total
Salaries	\$ 73,225	\$ 51,257	\$ 21,967	\$ 146,449
Fringe benefits	22,752	15,927	6,826	45,505
Transportation	14,525	-	-	14,525
Food purchases	7,691	-	-	7,691
Bank and credit processing fees	-	2,180	-	2,180
Payroll fees	778	545	234	1,557
Miscellaneous	2,030	1,421	609	4,060
Outside services	-	5,486	4,100	9,586
Printing and postage	3,201	356	10,920	14,477
Rent	900	630	270	1,800
Depreciation	383	43	-	426
Office	-	577	-	577
Telephone and communications	1,535	1,075	461	3,071
Insurance	5,184	3,629	1,555	10,368
Dues	-	466	-	466
Repairs	-	50	-	50
	<u>\$ 132,204</u>	<u>\$ 83,642</u>	<u>\$ 46,942</u>	<u>\$ 262,788</u>

-- SEE ACCOUNTANT'S REVIEW REPORT --
 -- SEE NOTES TO FINANCIAL STATEMENTS --

FOOD FOR FREE COMMITTEE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

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Cash Flows from Operating Activities:	
Change in net assets	\$ <u>144,755</u>
Adjustment to reconcile changes in net assets to net cash used by operating activities:	
Depreciation	426
Increase in accounts receivable	(19,013)
Increase in prepaid expenses	(802)
Decrease in accounts payable and accrued expenses	(1,106)
Unrealized gains on investments	<u>(131)</u>
Net cash used by operating activities	<u>124,129</u>
Net increase in cash and cash equivalents	124,129
Cash and cash equivalents, beginning of year	<u>119,487</u>
Cash and cash equivalents, end of year	<u><u>\$ 243,616</u></u>

-- SEE ACCOUNTANT'S REVIEW REPORT --
-- SEE NOTES TO FINANCIAL STATEMENTS --

FOOD FOR FREE COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2009

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A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Food For Free Committee, Inc. is a nonprofit organization whose purpose is acquiring surplus food for redistribution to the needy. The organization is funded by grants and public donations.

Basis of presentation

The financial statements have been prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Board in its Statement of Financial Accounting Standards (SFAS) No. 116 *Accounting for Contribution Received and Made* and Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*. SFAS No. 116 requires that unconditional promises to give be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. SFAS No. 117 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to donor imposed restrictions.

Under the provisions of SFAS No. 117, net assets and revenues, expenses, gain and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets include net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets include net assets that are subject to donor-imposed stipulations that may or will be met either by actions of the organization and/or passage of time.

Permanently restricted net assets include net assets subject to donor-imposed stipulations that they be maintained permanently by the organization.

Property and Equipment

Fixed assets are valued at cost. Depreciation is computed using the straight-line method. The expenditures for repairs and maintenance are charged to expense, renewals and betterments over \$2,000 are capitalized.

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FOOD FOR FREE COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2009

P E R M I T T E D

Income Taxes

Food For Free Committee, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from state income taxes. However, any unrelated business income may be subject to taxation. Currently, the Organization has no obligation for any unrelated business income tax. Contributions to the Organization are fully deductible to the extent allowed by law.

Donated Services and Assets

The Organization receives significant contributed services from volunteers and also receives donated food in conducting its operations. The value of these services is not reflected in these statements, as there is no objective basis available for valuation. Donated marketable securities are recorded as contributions at their estimated fair value at the date of donation.

Estimates

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

Expense allocation

The costs of providing various programs and other activities have been summarized on a functional basis in The Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an initial maturity of ninety days or less.

Accounts Receivable

The organization's accounts receivable do not present a significant concentration of credit risk and are deemed fully collectible. The organization historically has not experienced significant amounts of bad debt and therefore no allowance for doubtful accounts has been provided.

FOOD FOR FREE COMMITTEE, INC.
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2009

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Investments

Investments are comprised of mutual funds valued at cost and donated securities, which approximates market value at December 31, 2009.

Rent

The organization occupies space owed by Cambridge Economic Opportunity Committee located in Cambridge, MA. Pursuant to an informal rent agreement the organization pays rent of \$150 per month. Rent expense for the year ended December 31, 2009 was \$1,800.

Fixed Assets

Property & Equipment	\$ 92,315
Accumulated depreciation	<u>(77,648)</u>
Net fixed assets	<u>\$ 14,667</u>

Depreciation expense for the year ended December 31, 2009 was \$426.

Business Credit Reserve

The organization established a business credit reserve with their bank. The terms of the agreement allow the organization to borrow up to \$20,000 at prime interest plus 2.5%. The bank has a first security interest in all assets of the organization. As of December 31, 2009 the organization had no balance outstanding against the credit reserve.