

**NNEMAP, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2019 and 2018**

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## INDEPENDENT AUDITORS' REPORT

To: NNEMAP, Inc.  
Columbus, OH

We have audited the accompanying financial statements of NNEMAP, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, cash flows and of functional expenses for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NNEMAP, Inc. as of December 31, 2019, and the changes in its net assets, its cash flows and its functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited NNEMAP, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Matters**

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958)—Presentation of Financial Statements of Not-for-Profit Entities*. The ASU addresses the complexity and understandability of net asset classification, and deficiencies in information about liquidity and availability of resources. The Organization has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented, and has resulted in previous net asset classes "Unrestricted – Board Endowment" and "Unrestricted" to be combined into a single classification of Net Assets Without Donor Restrictions, as well as net asset classes "Temporarily Restricted" and "Permanently Restricted" to be combined into a single classification of Net Assets With Donor Restrictions.

DATE OF DRAFT ACCEPTANCE

**NNEMAP, INC.**

Statements of Financial Position  
December 31, 2019 and 2018

**ASSETS**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Current Assets		
Cash and Cash Equivalents	\$ 107,359	\$ 123,742
Investments - Money Market	114,112	104,147
Investments - Mutual Funds	66,078	49,477
Grants Receivable	-	15,000
Inventory of Food	65,825	75,469
Prepaid Expenses	<u>3,531</u>	<u>7,665</u>
Total Current Assets	356,905	375,500
Property and Equipment		
Land	111,265	111,265
Building	223,047	220,247
Equipment	78,486	16,726
Website	<u>4,750</u>	<u>4,750</u>
	417,548	352,988
Accumulated Depreciation	<u>(48,647)</u>	<u>(37,374)</u>
Total Property and Equipment	368,901	315,614
Other Assets		
Closing Costs	2,867	2,867
Accumulated Amortization	<u>(667)</u>	<u>(529)</u>
Net closing costs	<u>2,200</u>	<u>2,338</u>
Total Assets	<u><u>\$ 728,006</u></u>	<u><u>\$ 693,452</u></u>

See accompanying notes and independent auditors' report.

**NNEMAP, INC.**

Statements of Financial Position  
December 31, 2019 and 2018

**LIABILITIES AND NET ASSETS**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Current Liabilities		
Accounts payable	\$ -	\$ 714
Credit Card	3,043	1,491
Accrued Interest Expense	349	349
Current Portion of Long-term Debt	<u>8,285</u>	<u>7,882</u>
Total Current Liabilities	11,677	10,436
Long-term Debt		
Capital Lease Liability	2,000	3,130
Mortgage Payable	<u>143,989</u>	<u>152,907</u>
	145,989	156,037
Current Portion	<u>(8,285)</u>	<u>(7,882)</u>
Total Long-term Debt	<u>137,704</u>	<u>148,155</u>
Total Liabilities	149,381	158,591
Net Assets		
Net Assets without Donor Restrictions	564,323	468,059
Net Assets with Donor Restrictions	<u>14,302</u>	<u>66,802</u>
Total Net Assets	<u>578,625</u>	<u>534,861</u>
Total Liabilities and Net Assets	<u>\$ 728,006</u>	<u>\$ 693,452</u>

See accompanying notes and independent auditors' report.

**NNEMAP, INC.**

Statement of Activities

For the year ended December 31, 2019 with comparative totals for 2018

	<b><u>Without Donor Restriction</u></b>	<b><u>With Donor Restriction</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Public Support and Revenue				
Public Support				
Donations	\$ 303,986	\$ 24,000	\$ 327,986	\$ 308,632
Fundraisers, Net	35,116	-	35,116	28,368
Donation - In Kind	1,274,326	-	1,274,326	1,060,361
Total Public Support	<u>1,613,428</u>	<u>24,000</u>	<u>1,637,428</u>	<u>1,397,361</u>
Revenue				
Investment Income	19,078	-	19,078	1,913
Interest	490	-	490	15
Net Assets Released from Restrictions	76,500	(76,500)	-	-
Total Revenue	<u>96,068</u>	<u>(76,500)</u>	<u>19,568</u>	<u>1,928</u>
Total Support and Revenue	1,709,496	(52,500)	1,656,996	1,399,289
Expenses				
Program Services	1,509,021	-	1,509,021	1,233,026
Supporting Services				
Management and general	74,258	-	74,258	59,944
Fund raising	29,953	-	29,953	24,519
Total Supporting Services	<u>104,211</u>	<u>-</u>	<u>104,211</u>	<u>84,463</u>
Total Expenses	<u>1,613,232</u>	<u>-</u>	<u>1,613,232</u>	<u>1,317,489</u>
Increase (Decrease) in Net Assets	96,264	(52,500)	43,764	81,800
Net Assets, Beginning of Year	<u>468,059</u>	<u>66,802</u>	<u>534,861</u>	<u>453,061</u>
Net Assets, End of Year	<u>\$ 564,323</u>	<u>\$ 14,302</u>	<u>\$ 578,625</u>	<u>\$ 534,861</u>

See accompanying notes and independent auditors' report.

**NNEMAP, INC**

Statement of Functional Expenses

For the year ended December 31, 2019 with comparative totals for 2018

	<b><u>Program Services</u></b>	<b><u>Supporting Services</u></b>			<b><u>Total Expenses</u></b>	
	Community Service	Management and General	Fund Raising	Total Supporting Services	<b><u>2019</u></b>	<b><u>2018</u></b>
Salaries and Related Expenses	\$ 128,865	\$ 19,481	\$ 16,108	\$ 35,589	\$ 164,454	\$ 151,284
Supplies	-	3,514	-	3,514	3,514	7,012
Postage	-	-	474	474	474	419
Utilities	19,530	2,170	-	2,170	21,700	18,588
Repairs and Maintenance	5,817	646	-	646	6,463	10,793
Professional Fees	-	36,115	-	36,115	36,115	21,953
Distributions	1,320,373	-	-	-	1,320,373	1,056,292
Interest expense	8,600	-	-	-	8,600	9,463
Insurance	3,573	1,841	-	1,841	5,414	5,086
Fundraising	-	-	13,371	13,371	13,371	9,280
Miscellaneous	9,853	4,491	-	4,491	14,344	10,600
<b>Total Before Depreciation and Donated Services</b>	<b>1,496,611</b>	<b>68,258</b>	<b>29,953</b>	<b>98,211</b>	<b>1,594,822</b>	<b>1,300,770</b>
Depreciation and Amortization	12,410	-	-	-	12,410	10,719
Donated Services	-	6,000	-	6,000	6,000	6,000
<b>Total</b>	<b><u>\$ 1,509,021</u></b>	<b><u>\$ 74,258</u></b>	<b><u>\$ 29,953</u></b>	<b><u>\$ 104,211</u></b>	<b><u>\$ 1,613,232</u></b>	<b><u>\$ 1,317,489</u></b>

See accompanying notes and independent auditors' report.



**NNEMAP, INC**Statements of Cash Flows  
For the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b><u>Cash Flows from Operating Activities</u></b>		
Increase in Net Assets	\$ 43,764	\$ 81,800
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Non-cash donation of common stock	(8,102)	(7,721)
Depreciation and Amortization	12,410	10,719
Unrealized (gains) on investments	(16,988)	(526)
Decrease (Increase) in Grants Receivable	15,000	(11,788)
Change in Food Inventory	9,644	(42,645)
Decrease (Increase) in Prepaid Expenses	4,134	(4,943)
Decrease (Increase) in Accounts Payable	838	(546)
	<u>60,700</u>	<u>24,350</u>
Net Cash Provided by Operating Activities	60,700	24,350
<b><u>Cash Flows Used by Investing Activities</u></b>		
Decrease (Increase) in Investments from reinvestment of dividend and interest income	(2,475)	517
Fixed Asset Additions	(64,560)	-
	<u>(67,035)</u>	<u>517</u>
Net Cash (Used) Provided by Investing Activities	(67,035)	517
<b><u>Cash Flows Provided (Used) by Financing Activities</u></b>		
(Decrease) Increase in Capital Lease Obligations	(1,130)	(1,080)
(Decrease) in Mortgage	(8,918)	(7,260)
	<u>(10,048)</u>	<u>(8,340)</u>
Net Cash Provided (Used) by Financing Activities	(10,048)	(8,340)
Net Increase in Cash and Cash Equivalents	(16,383)	16,527
Cash and Cash Equivalents Beginning of Year	123,742	107,215
Cash and Cash Equivalents End of Year	<u>\$ 107,359</u>	<u>\$ 123,742</u>
<b><u>Additional Disclosures</u></b>		
Total Interest Expense Incurred During the Year	<u>\$ 8,600</u>	<u>\$ 9,463</u>

See accompanying notes and independent auditors' report.

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

Note 1 – **Summary of Significant Accounting Policies**

**Organization and Nature of Activities**

NNEMAP Inc. (the “Organization”) helps their neighbors enhance their lives, health and self-sufficiency through access to nutritious food and other resources.

**Accrual Basis**

The financial statements are prepared on the accrual basis of accounting and accordingly reflect all receivables, payables, and other assets and liabilities. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

**Basis of Presentation**

The Organization has adopted Accounting Standards Codification (ASC) 2016-14, “Not-For-Profit Entities – Revenue Recognition”. In accordance with ASC 2016-14, contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

The Organization has also adopted ASC 958-10-65-1, “Not-For-Profit Entities – Presentation of Financial Statements”. Under ASC 958-10-65-1, The Organization is required to report information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions, and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

Note 1 – **Summary of Significant Accounting Policies (Continued)**

**Receivables**

Receivables are stated at the amount the Organization expects to collect from outstanding balances. When considered necessary, the Organization provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. The Organization considers all receivables to be fully collectible and, accordingly, no allowance for doubtful accounts is reflected in the financial statements. Additionally, there is no bad debt expense recorded in the financial statements.

**Cash and Cash Equivalents**

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Property and Equipment**

Purchased capital assets are carried at cost. Donated capital assets are carried at the fair market value of the assets donated on the date the donation is made. Depreciation is computed based on the estimated useful life of the assets using the straight-line method. When capital assets are sold or retired, the cost and related accumulated depreciation are removed from the accounts with any gain or loss reflected in operations. Maintenance and repairs are expensed as incurred. The Board of the Organization has adopted policy of capitalizing all fixed asset purchases in excess of \$750.

**Estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

Note 1 – **Summary of Significant Accounting Policies (Continued)**

**Donated Assets and Services**

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization receives numerous volunteer hours that are not recognized as contributions as they do not meet the recognition criteria nor does the Organization believe the fair value of the services are reasonably determinable. The use of the donated in-kind food and other assistance items is recognized as Distributions on the Statement of Functional Expenses.

**Inventory**

The Organization maintains an inventory of food and small personal items to provide to its clients. The items are received as donations from Mid-Ohio Foodbank, local community, and retail establishments. The Organization uses a benchmark derived from an independent accounting firm's engagement with Mid-Ohio Foodbank to value its inventory, unless a different value is provided by the donor. The Organization valued inventory at \$1.62 per pound for the fiscal years ended December 31, 2019 and \$1.73 at 2018, which the Organization believes is reasonable and comparable to the aforementioned benchmark.

**Expense Allocation**

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

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

Note 1 – **Summary of Significant Accounting Policies (Continued)**

**Federal Income Tax**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position.

Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the fiscal years ended December 31, 2019 and 2018.

The Organization files its forms 990 in the U.S. federal jurisdiction and the office of the state's attorney general for the State of Ohio. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before December 31, 2015

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

**Note 2 – Concentrations of Credit Risk**

The Organization receives a significant amount of its revenue through contributed food and toiletries. Mid-Ohio Food Bank provided \$1,040,100 and \$794,911 of contributions to this end during the years ended December 31, 2019 and 2018, respectively. The contributions represent approximately 63% and 60% of revenue for the years ended December 31, 2019 and 2018, respectively. In addition, the Organization also purchased items from Mid-Ohio Food Bank at a significant discount. These purchases amount to approximately \$38,638 and \$29,840 for the years ended December 31, 2019 and 2018.

The Organization maintains cash accounts which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per banking institution. During 2019 and 2018, the cash balances remained under this limit.

**Note 3 - Advertising**

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the fiscal years ended December 31, 2019 and 2018, advertising expense was not significant.

**Note 4 – Note Payable**

In April 2015, the Organization took out a \$192,500, 20-year, 5% variable rate loan from Liberty National Bank to help purchase a property to be used for operations. The note stipulates that the interest rate can go no lower than 5% and no higher than 11%. As of December 31, 2019, the rate was 5.5%. Following is a schedule of principal payments for each of the next five years, as of December 31, 2019, under this loan agreement:

2020	8,285
2021	8,709
2022	9,155
2023	9,623
2024	<u>10,116</u>
Total Payments	45,888
Balance past 2024	<u>98,101</u>
Total Payments	<u>\$143,989</u>

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

**Note 5 – Fair Value of Assets**

The Organization adopted Accounting Standards Codification 825 “Financial Instruments” (ASC 825). ASC 825 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 825 are as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;

Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;

Level 3 Inputs that are unobservable.

Inputs are used in applying the various techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility, statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes “observable” requires significant judgment by management. Management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the manager’s perceived risk of that instrument.

In making the aforementioned valuations, management will consult with their brokers, investment managers and various other entities in analyzing data which determines fair market values.

Fair values of assets measured on a recurring basis at December 31, 2019 are as follows:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments - Cash and Money Markets	\$ 114,112	\$ 114,112	\$---	\$---
Investments - Mutual Funds	66,078	66,078	---	---
Investments – Common Stock	---	---	---	---
Total Assets	<u>\$180,190</u>	<u>\$180,190</u>	<u>\$---</u>	<u>\$---</u>

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

**Note 5 – Fair Value of Assets (Continued)**

Fair values of assets measured on a recurring basis at December 31, 2018 are as follows:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments - Cash and Money Markets	\$ 104,147	\$ 104,147	\$---	\$---
Investments - Mutual Funds	49,477	49,477	---	---
Investments – Common Stock	---	---	---	---
Total Assets	<u>\$153,624</u>	<u>\$153,624</u>	<u>\$---</u>	<u>\$---</u>

**Note 6 – Revenue with Donor Restrictions**

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

The Organization receives donations restricted to specific uses. Net Assets with Donor Restrictions were comprised of funds with the following uses at December 31, 2019:

<u>Purpose</u>	<u>Balance 12/31/18</u>	<u>Donations</u>	<u>Restrictions Satisfied</u>	<u>Balance 12/31/19</u>
Pet Food	\$ 254	\$ ---	\$ ---	\$ 254
Food for Pennies - Boulevard	201	---	---	201
Grooming Kits	747	---	---	747
Participation in Retreat	500	---	---	500
Christmas Toys	100	---	---	100
City of Columbus	---	24,000	(11,500)	12,500
Columbus Foundation – Capital Improvements	50,000	---	(50,000)	---
United Way	<u>15,000</u>	<u>---</u>	<u>(15,000)</u>	<u>---</u>
	<u>\$66,802</u>	<u>\$24,000</u>	<u>(\$76,500)</u>	<u>\$14,302</u>



**NNEMAP, INC.**  
Notes to the Financial Statements  
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**Note 6 - Revenue with Donor Restrictions (Continued)**

Net Assets with Donor Restrictions were comprised of funds with the following uses at December 31, 2018:

<u>Purpose</u>	<u>Balance 12/31/17</u>	<u>Donations</u>	<u>Restrictions Satisfied</u>	<u>Balance 12/31/18</u>
Pet Food	\$ 254	\$ ---	\$ ---	\$ 254
Food for Pennies - Boulevard	201	---	---	201
Grooming Kits	747	---	---	747
Participation in Retreat	500	---	---	500
Christmas Toys	100	---	---	100
Columbus Foundation – Capital Improvements	---	50,000	---	50,000
United Way	---	15,000	---	15,000
	<u>\$1,802</u>	<u>\$65,000</u>	<u>\$---</u>	<u>\$66,802</u>

**Note 7 – Liquidity**

The following reflects the organization’s financial assets as of the statement date of the financial position. Financial assets at year-end are reduced by amounts not available for general use due to donor-imposed restrictions that will not expire within one year of the financial position date. Donor restricted amounts that will become available for general use within the year subsequent to December 31, 2019 include the City of Columbus donations and in the year subsequent to December 31, 2018, Columbus Foundation – Capital Improvements and United Way donations.

	<u>2019</u>	<u>2018</u>
Financial Assets at Year-End	287,549	292,366
Christmas Toys	(100)	(100)
Retreat Funds	(500)	(500)
Pet Food	(254)	(254)
Food for Pennies - Boulevard	(201)	(201)
Grooming Kits	(747)	(747)
Financial Assets Available for Use Within 1 Year	<u>285,747</u>	<u>290,564</u>

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

**Note 7 – Liquidity (Continued)**

The Organization defines financial assets as Cash/Cash Equivalents, Grants Receivable, and Investments.

	<u>2019</u>	<u>2018</u>
Cash/Cash Equivalents	107,359	123,742
Grants Receivable	-	15,000
Investments	<u>180,190</u>	<u>153,624</u>
Financial Assets at Year-End	287,549	292,366

**Note 8 – Donated Materials, Services and Investments**

The fair values of in-kind donations consist of the following at the fiscal years ended December 31:

	<u>2019</u>	<u>2018</u>
Food and other assistance	\$1,260,224	\$1,046,640
Professional Fees	6,000	6,000
Common Stock	<u>8,102</u>	<u>7,721</u>
Total	<u>\$1,274,326</u>	<u>\$1,060,361</u>

During 2019, the organization received a gift of stock. The fair market value of the donation on the date of the gift was \$8,102.

All of the above donations are recognized as distributions on the Statements of Functional Expenses except for Professional Fees which are recognized separately as Donated Services, and Common Stock which is shown on the balance sheet as Investments – Money Market as it was sold upon receipt.

**NNEMAP, INC.**  
Notes to the Financial Statements  
December 31, 2019 and 2018

**Note 9 - Capital Lease**

During 2016, the Organization entered into an agreement to lease a copier under a capital lease. The economic substance of the lease is that NNEMAP is financing the acquisition of the asset through the lease. Accordingly, the copier is recorded in the Organization's assets and liabilities. In accordance with ASC 840, the amount capitalized was the present value of future cash flows at an imputed discount rate of 4.5% (\$5,825), which approximates the fair market value of the copiers.

The aforementioned leased asset is included in the financial statements at December 31 as follows:

	<u>2019</u>	<u>2018</u>
Equipment	\$5,825	\$5,825
Accumulated Depreciation	<u>(4,174)</u>	<u>(3,009)</u>
Net	<u>\$1,651</u>	<u>\$2,816</u>
Depreciation Expense	<u>\$ 1,165</u>	<u>\$ 1,165</u>

Following is a schedule by years of future minimum payments required under the lease obligation:

<u>Year Ending:</u>	
2020	1,248
2021	<u>752</u>
	\$2,000
Imputed interest	<u>(582)</u>
Present value of future minimum lease payments	<u>\$1,418</u>

The Organization has elected to recognize imputed interest using a straight-line method which does not materially differ from the GAAP-prescribed Interest Method (ASC 835-30-20).

**Note 10 – Subsequent Events**

Subsequent events were evaluated through DATE OF DRAFT ACCEPTANCE, which is the date the financial statements were available for issuance.