

GOING FURTHER

**SECOND HELPINGS  
ATLANTA, INC.**

**FINANCIAL REPORT**

**DECEMBER 31, 2024**



CPAs & ADVISORS

**SECOND HELPINGS  
ATLANTA, INC.**

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# SECOND HELPINGS ATLANTA, INC.

## FINANCIAL REPORT DECEMBER 31, 2024

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## INDEPENDENT AUDITOR'S REPORT

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**To the Board of Directors  
Second Helpings Atlanta, Inc.  
Atlanta, Georgia**

### **Opinion**

We have audited the accompanying financial statements of **Second Helpings Atlanta Inc.** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Second Helpings Atlanta Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Second Helpings Atlanta Inc. 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 Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Second Helpings Atlanta Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Second Helpings Atlanta Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Second Helpings Atlanta Inc.'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.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
April 23, 2025

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash	\$ 1,484,801	\$ 1,521,466
Accounts receivable	66,721	64,100
Right-of-use assets	61,461	98,013
Prepaid expenses	26,925	7,914
Property and equipment, net	<u>327,328</u>	<u>228,170</u>
Total assets	<u><u>\$ 1,967,236</u></u>	<u><u>\$ 1,919,663</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Operating lease liability	\$ 61,726	\$ 98,236
Deferred revenue	7,500	-
Accounts payable and accrued expenses	<u>6,284</u>	<u>7,439</u>
Total liabilities	<u>75,510</u>	<u>105,675</u>
<b>Net assets</b>		
Without donor restrictions	1,862,443	1,626,004
With donor restrictions - purpose	<u>29,283</u>	<u>187,984</u>
Total net assets	<u>1,891,726</u>	<u>1,813,988</u>
Total liabilities and net assets	<u><u>\$ 1,967,236</u></u>	<u><u>\$ 1,919,663</u></u>

**See Notes to Financial Statements.**

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, gains, and other support</b>			
In-kind contributions	\$ 10,329,187	\$ -	\$ 10,329,187
Contribution and grant revenue	1,122,103	75,031	1,197,134
Other revenue	67,772	-	67,772
Interest income	41,115	-	41,115
Total support	<u>11,560,177</u>	<u>75,031</u>	<u>11,635,208</u>
 Net assets released from restrictions	 233,732	 (233,732)	 -
 Total revenue, gains, and other support	 <u>11,793,909</u>	 <u>(158,701)</u>	 <u>11,635,208</u>
 <b>Expenses:</b>			
Program services	10,984,994	-	10,984,994
Supporting services			
General and administrative expenses	241,119	-	241,119
Fundraising	<u>331,357</u>	<u>-</u>	<u>331,357</u>
 Total expenses	 <u>11,557,470</u>	 <u>-</u>	 <u>11,557,470</u>
 <b>Change in net assets</b>	 236,439	 (158,701)	 77,738
 <b>Net assets, beginning of year</b>	 <u>1,626,004</u>	 <u>187,984</u>	 <u>1,813,988</u>
 <b>Net assets, end of year</b>	 <u><u>\$ 1,862,443</u></u>	 <u><u>\$ 29,283</u></u>	 <u><u>\$ 1,891,726</u></u>

See Notes to Financial Statements.

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, gains, and other support</b>			
In-kind food contributions	\$ 11,202,077	\$ -	\$ 11,202,077
Contribution and grant revenue	1,085,801	112,149	1,197,950
Other Revenue	61,989	-	61,989
Fundraising event revenue	23,610	-	23,610
Other revenue	21,960	-	21,960
Total support	<u>12,395,437</u>	<u>112,149</u>	<u>12,507,586</u>
Net assets released from restrictions	157,918	(157,918)	-
Total revenue, gains, and other support	<u>12,553,355</u>	<u>(45,769)</u>	<u>12,507,586</u>
<b>Expenses:</b>			
Program services	11,770,816	-	11,770,816
Supporting services			
General and administrative expenses	189,505	-	189,505
Fundraising	<u>258,337</u>	<u>-</u>	<u>258,337</u>
Total expenses	<u>12,218,658</u>	<u>-</u>	<u>12,218,658</u>
<b>Change in net assets</b>	334,697	(45,769)	288,928
<b>Net assets, beginning of year</b>	<u>1,291,307</u>	<u>233,753</u>	<u>1,525,060</u>
<b>Net assets, end of year</b>	<u><u>\$ 1,626,004</u></u>	<u><u>\$ 187,984</u></u>	<u><u>\$ 1,813,988</u></u>

**See Notes to Financial Statements.**

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
In-kind food donations	\$ 10,329,187	\$ -	\$ -	\$ 10,329,187
Payroll expenses	426,398	110,595	193,485	730,478
Professional fees	16,633	25,650	1,029	43,312
Truck expenses	28,638	-	-	28,638
Operations	44,241	14,837	4,028	63,106
Technology	6,780	77,059	40,250	124,089
Development consultant	-	-	77,000	77,000
Community relations	-	38	9,760	9,798
Depreciation	63,236	-	-	63,236
Field-to-Fork food donations	68,959	-	-	68,959
Other expenses	922	3,529	5,187	9,638
Fundraising event expenses	-	-	618	618
Insurance	-	9,411	-	9,411
Total expenses	<u>\$ 10,984,994</u>	<u>\$ 241,119</u>	<u>\$ 331,357</u>	<u>\$ 11,557,470</u>

See Notes to Financial Statements.

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

		<b>Supporting Services</b>		
	<b>Program Services</b>	<b>General and Administrative</b>	<b>Fundraising</b>	<b>Total</b>
In-kind food donations	\$ 11,202,077	\$ -	\$ -	\$ 11,202,077
Payroll expenses	420,423	103,875	139,607	663,905
Professional fees	-	35,320	58,360	93,680
Truck expenses	82,609	368	-	82,977
Operations	35,778	9,262	6,920	51,960
Technology	5,590	17,798	15,619	39,007
Community relations	-	1,012	26,660	27,672
Depreciation	22,909	-	-	22,909
Other expenses	1,430	6,489	6,325	14,244
Fundraising event expenses	-	7,808	4,846	12,654
Insurance	-	7,573	-	7,573
Total expenses	<u>\$ 11,770,816</u>	<u>\$ 189,505</u>	<u>\$ 258,337</u>	<u>\$ 12,218,658</u>

**See Notes to Financial Statements.**

**SECOND HELPINGS ATLANTA, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	<u>\$ 77,738</u>	<u>\$ 288,928</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	63,236	22,909
Changes in assets and liabilities		
(Increase) in accounts receivable	(2,621)	(52,396)
Decrease (increase) in right-of-use asset	36,552	(64,669)
(Increase) in prepaid expenses	(19,011)	(7,914)
(Decrease) increase in lease liability	(36,510)	63,961
(Decrease) in accounts payable and accrued expenses	(1,155)	(17,319)
Increase in deferred revenue	<u>7,500</u>	<u>-</u>
Net cash provided by operating activities	<u>125,729</u>	<u>233,500</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(162,394)</u>	<u>(126,610)</u>
Net cash used in investing activities	<u>(162,394)</u>	<u>(126,610)</u>
Net (decrease) increase in cash	(36,665)	106,890
Cash, beginning of year	<u>1,521,466</u>	<u>1,414,576</u>
Cash, end of year	<u><u>\$ 1,484,801</u></u>	<u><u>\$ 1,521,466</u></u>

**See Notes to Financial Statements.**

# SECOND HELPINGS ATLANTA, INC.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION

Second Helpings Atlanta, Inc. (the “Organization”) was incorporated as a Georgia nonprofit corporation in March 2011 and serves a 10-county area in Metropolitan Atlanta by rescuing surplus food from a network of more than 129 food donors and delivering it to 112 frontline nonprofit partner agencies that feed those in need. Supported by a team of over 400 volunteers, the Organization serves as a vital link in reducing food insecurity and waste. Its mission is to eliminate hunger and food waste in metro-Atlanta by rescuing surplus food and delivering it to those in need, with a broader goal of alleviating food insecurity, improving the health of vulnerable communities, and building more sustainable, environmentally conscious food systems. Over the course of its 20 years of service, Second Helpings Atlanta has recovered over 37 million pounds of surplus food – enough to provide 27 million meals.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of presentation**

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting; consequently, revenues are recognized when earned, and expenses are recognized when incurred.

#### **Cash and cash equivalents**

For financial statement purposes, the Organization considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. At December 31, 2024 and 2023 there were no cash equivalents.

#### **Property and equipment**

The Organization has established \$1,000 as the threshold amount for capitalization. Tangible assets below this threshold will be recorded as expenses in the year purchased. Property and equipment are carried at cost less accumulated depreciation. Donated property and equipment are carried at approximate fair value as of the date of donation. Depreciation is provided under the straight-line method over the estimated useful lives of depreciable assets. The useful lives of the vehicles and equipment are 5 years.

#### **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 Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, this is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were \$29,283 and \$187,984 in net assets with donor restrictions at December 31, 2024 and 2023, respectively.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Donated goods and services**

Contributed goods and services are recognized if they create or enhance nonfinancial assets or if they require specialized skills and would typically be purchased if not provided by donation. For the years ended December 31, 2024 and 2023, management estimated the value of donated food at \$1.97 and \$1.93 per pound, respectively, based on the estimated average fair value of one pound of donated food product per Feeding America's June 30, 2024 financial report. The Organization received in kind food donations totaling \$10,329,187 and \$11,202,077, for the years ended December 31, 2024 and 2023, respectively.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization but that are not reflected in the financial statements because the criteria for recognition of such efforts under GAAP have not been satisfied.

#### **Gifts, contributions, and grants**

The Organization records contributions upon receipt of an unconditional promise to pay, less an allowance for uncollectible amounts. Gifts, bequests, and other promises or receipts restricted by donors as to use or time period are recorded as net assets with donor restriction until used in the manner designated or upon expiration of the time period. However, restricted contributions whose restriction is satisfied in the same year of the donation are recorded as contributions without restrictions in the statement of activities. Donated property and equipment are recorded at fair market value on the date received as net assets with or without donor restriction, based on the donor's intent. When the assets are used for their intended purposes, the applicable amount is transferred to net assets without donor restriction. Contributions without donor restriction received are recorded as contribution revenue. Accounts receivable consist largely of payments made via third party that have not been received.

#### **Estimates**

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America which require management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements, as well as the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Management's estimate of the functional allocation of certain expenses is based on management judgement and experience.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Functional allocation of expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities and statements of functional expenses. Directly identifiable expenses, such as program supplies and in-kind food donations, are charged to programs and supporting services. Furthermore, all other costs have been allocated among the programs and supporting services benefited as required by FASB's *Not-for-Profit* presentation and disclosure guidance. Payroll expenses and payroll taxes are allocated based on the position and the percentage of time that the position supports program, administration, and/or fundraising for the Organization.

#### Income taxes

Second Helpings Atlanta, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue code. Accordingly, the Organization is not required to pay federal taxes on income, and contributions to the Organization qualify for the charitable contributions deduction to the extent provided by Section 170 of the Internal Revenue code.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Management is not aware of any circumstances or transactions that would jeopardize its tax-exempt status.

All tax-exempt entities are subject to review and audit by federal, state, and other applicable agencies. Such agencies may review the taxability of unrelated business income or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. There currently are no audits of the Organization's returns in progress.

### NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date as of December 31, 2024 and 2023, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations:

	2024	2023
Cash and restricted cash	\$ 1,484,801	\$ 1,521,466
Accounts receivable	66,721	64,100
Total financial assets	1,551,522	1,585,566
Donor-imposed restrictions:		
Cash restricted by donor intention	(29,283)	(187,984)
	\$ 1,522,239	\$ 1,397,582

Cash and restricted promises to give are released when the donor restriction is satisfied.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. CONCENTRATIONS

A concentration for purposes of the Organization is considered to be a total contribution from a single donor source that exceeds 10% of major revenue type for that revenue type in any given fiscal year. The following tables summarize concentrations for the years ended December 31:

	2024		
	Number of Donors	Aggregate Revenue	Percentage
In-kind food contributions	3	\$6,729,754	65%
Contribution and grant revenue	1	300,000	27%

  

	2023		
	Number of Donors	Aggregate Revenue	Percentage
In-kind food contributions	3	\$ 8,572,630	77%
Contribution and grant revenue	1	300,000	25%

### NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2024 and 2023 is summarized as follows:

	2024	2023
Trucks	\$ 373,545	\$ 255,042
Equipment	75,270	31,379
	448,815	286,421
Less accumulated depreciation	(121,487)	(58,251)
	<u>\$ 327,328</u>	<u>\$ 228,170</u>

Depreciation expense was \$63,236 and \$22,909 for the years ended December 31, 2024 and 2023, respectively.

### NOTE 6. RESTRICTED NET ASSETS

Net assets with donor restrictions were available for the following donor-restricted purposes:

	2024	2023
Subject to expenditure for specific purpose:		
Truck purchase	\$ 29,283	\$ 36,262
Information technology	-	66,904
Vehicle operating expense	-	1,621
Warehouse equipment	-	83,197
	<u>\$ 29,283</u>	<u>\$ 187,984</u>

Net assets with donor restrictions as of December 31, 2024 and 2023 consisted of cash.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from donor restrictions (by incurring expenses satisfying the restricted purpose specified by donors) for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Vehicle maintenance	\$ 1,621	\$ 10,528
Truck purchase	118,504	110,727
Information technology	66,904	19,860
Warehouse equipment	46,703	16,803
	<u>\$ 233,732</u>	<u>\$ 157,918</u>

### NOTE 8. LEASES

The Organization leases office space and cold storage under an operating lease. The lease contains no significant restrictions. The lease provides for a flat rate over the lease term from October 1, 2021 through December 31, 2023. The lease was amended in 2022 to increase the rental rates for additional space. In the year ended December 31, 2022, the Organization adopted FASB Accounting Standards Update (ASU) No. 2016-02, ASC 842, *Leases*, which requires the recognition of the right-of-use asset and a lease liability based on the present value of the remaining lease payments.

In July 2023, the Organization terminated the lease early and entered into a lease agreement for the office space and cold storage under an operating lease. The lease contains no significant restrictions. The lease provides an incremental rate over the lease term from August 1, 2023 through July 14, 2026.

The Organization used the rate for a standard three-year U.S. Treasury Bill (4.6%) as of August 1, 2023 as the discount rate in order to determine present value. The following is a schedule by years of minimum future rentals on the operating lease and the amortization of the net present value (NPV) of the lease liability as of December 31, 2023.

	Minimum annual lease payments	Amortization of NPV of lease liability
2025	\$ 41,196	\$ 39,185
2026	26,258	22,541
	<u>\$ 67,454</u>	<u>\$ 61,726</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. IN-KIND CONTRIBUTIONS

For the years ended December 31, 2024 and 2023, contributed nonfinancial assets recognized within the statements of activities included:

Type	2024	2023	Usage
Food	<u>\$ 10,329,187</u>	<u>\$ 11,202,077</u>	Program support
	<u>\$ 10,329,187</u>	<u>\$ 11,202,077</u>	

The Organization recognized contributed nonfinancial assets within revenue. For the years ended December 31, 2024 and 2023, all in-kind donations were received without donor restrictions.

Contributed food was valued using the estimated average fair value of one pound of donated food product per Feeding America's June 30, 2024 financial report.

### NOTE 10. SUBSEQUENT EVENTS

Management has evaluated events through April 23, 2025, the date on which the financial statements were available to be issued.