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**MEDS & FOOD FOR KIDS**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2025**

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**MEDS & FOOD FOR KIDS**

**SEPTEMBER 30, 2025**

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## INDEPENDENT AUDITORS' REPORT

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To the Board of Directors of  
**Meds & Food for Kids**

### **Opinion**

We have audited the financial statements of **Meds & Food for Kids** (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Meds & Food for Kids** as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Meds & Food for Kids** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditors' 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 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.



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**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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 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 the Organization'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 the Organization'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.

## Kiefer Bonfanti & Co. LLP

St. Louis, Missouri  
February 19, 2026

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**MEDS & FOOD FOR KIDS**

**STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2025**

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 565,788
Accounts receivable	784,843
Employee receivable	1,240
Inventory	1,298,107
Investments	22,236
Prepaid expenses	208,669
<b>Total Current Assets</b>	<b>2,880,883</b>
<b>Property and Equipment, Net</b>	<b>4,219,953</b>
<b>Right-of-Use Asset - Operating Lease, Net</b>	<b>41,289</b>
<b>Total Assets</b>	<b>\$ 7,142,125</b>

**Liabilities and Net Assets**

**Current Liabilities**

Accounts payable and accrued expenses	\$ 59,952
Current maturities of lease liability - operating	10,576
Line of credit, net of loan fees	504,539
<b>Total Current Liabilities</b>	<b>575,067</b>

**Long-Term Liabilities**

Lease liability - operating, net of current maturities	30,713
<b>Total Liabilities</b>	<b>605,780</b>

**Net Assets**

Without donor restrictions	6,153,985
With donor restrictions	382,360
<b>Total Net Assets</b>	<b>6,536,345</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 7,142,125</b>

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**MEDS & FOOD FOR KIDS**

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**STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2025**

<b>Net Assets Without Donor Restrictions</b>	
<b>Support, Revenue, Gains, and Losses</b>	
Mamba sales	\$ 4,146,927
Contributions	743,431
Grants	235,648
Fundraising events	67,561
Rental income	289,317
Investment income	18,550
In-kind donations	24,911
Other income	17,345
Loss on sale of stock	(10)
Loss on currency conversion	(23,863)
<hr/>	
<b>Support and Revenue Available</b>	<b>5,519,817</b>
Net assets released from restrictions	793,760
<hr/>	
<b>Total Support and Revenue Without Donor Restrictions</b>	<b>6,313,577</b>
<hr/>	
<b>Expenses</b>	
Program services	5,915,094
Support services	
Fundraising	384,627
Management and general	342,502
Facility rental	71,004
<hr/>	
<b>Total Expenses</b>	<b>6,713,227</b>
<hr/>	
<b>Decrease in Net Assets Without Donor Restrictions</b>	<b>(399,650)</b>
<hr/>	
<b>Net Assets With Donor Restrictions</b>	
Restricted contributions	225,000
Released from restrictions	(793,760)
<hr/>	
<b>Decrease in Net Assets With Donor Restrictions</b>	<b>(568,760)</b>
<hr/>	
<b>Total Decrease in Net Assets</b>	<b>(968,410)</b>
<hr/>	
<b>Net Assets, Beginning of Year</b>	<b>7,504,755</b>
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<b>Net Assets, End of Year</b>	<b>\$ 6,536,345</b>



**MEDS & FOOD FOR KIDS**

**STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2025**

	<u>Support Services</u>				<b>Total Supporting Services</b>	<b>Total</b>
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Facility Rental</b>		
Mamba production	\$ 3,502,466	-	-	-	-	<b>\$ 3,502,466</b>
Salaries and payroll taxes	709,422	253,477	177,402	-	430,879	<b>1,140,301</b>
Postage and shipping	730,646	438	2,696	-	3,134	<b>733,780</b>
Professional fees	150,953	37,480	114,719	-	152,199	<b>303,152</b>
Insurance	192,767	9,304	-	16,415	25,719	<b>218,486</b>
Office supplies	61,289	5,798	8,705	-	14,503	<b>75,792</b>
Marketing and events	-	79	73,346	-	73,425	<b>73,425</b>
Agriculture and nutrition	69,962	-	-	-	-	<b>69,962</b>
Other	49,433	1,605	-	-	1,605	<b>51,038</b>
Power generation	38,795	-	-	-	-	<b>38,795</b>
Travel and meetings	19,073	9,951	800	-	10,751	<b>29,824</b>
Repairs and maintenance	22,961	-	-	-	-	<b>22,961</b>
Rent	9,078	6,840	6,840	-	13,680	<b>22,758</b>
Bad debt	22,222	-	-	-	-	<b>22,222</b>
Automobile	20,725	-	-	-	-	<b>20,725</b>
Telephone and internet	12,719	2,704	119	-	2,823	<b>15,542</b>
Interest expense	-	14,826	-	-	14,826	<b>14,826</b>
Expenses before depreciation	5,612,511	342,502	384,627	16,415	743,544	<b>6,356,055</b>
Depreciation	302,583	-	-	54,589	54,589	<b>357,172</b>
<b>Total Expenses</b>	<b>\$ 5,915,094</b>	<b>342,502</b>	<b>384,627</b>	<b>71,004</b>	<b>798,133</b>	<b>\$ 6,713,227</b>
<b>Percentage of Total Expenses</b>	<b>88.1%</b>	<b>5.1%</b>	<b>5.7%</b>	<b>1.1%</b>	<b>11.9%</b>	<b>100.0%</b>

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**MEDS & FOOD FOR KIDS**

**STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2025**

<b>Cash Flows from Operating Activities</b>	
Decrease in net assets	\$ (968,410)
Adjustments:	
Depreciation	357,172
Donated stock received	(23,441)
Loss on sale of stock	10
Accrued interest	10,051
(Increase) decrease in assets:	
Accounts receivable	512,488
Employee receivable	(1,240)
Container fees	254,774
Inventory	1,001,745
Prepaid expenses	72,766
Right-of-use asset - operating lease, net	9,717
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(127,002)
Payroll liabilities	(281)
Deferred revenue	(912,629)
Lease liability - operating	(9,717)
<b>Net Cash Provided by Operating Activities</b>	<b>176,003</b>
<b>Cash Flows from Investing Activities</b>	
Purchase of investments	(1,200,000)
Proceeds from sale/maturity of investments	1,921,195
Purchases of property and equipment	(772,384)
<b>Net Cash Used by Investing Activities</b>	<b>(51,189)</b>
<b>Cash Flows from Financing Activities</b>	
Payments on line of credit, net of fees	(292,875)
<b>Net Cash Used by Financing Activities</b>	<b>(292,875)</b>
<b>Net Decrease in Cash</b>	<b>(168,061)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>988,623</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 820,562</b>
<b>Supplemental Disclosure</b>	
Cash paid for interest	\$ 10,078

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2025

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

**Meds & Food for Kids** (the Organization) was formed in 2004 and is a not-for-profit corporation in the state of Missouri. The Organization was established to meet the essential nutritional needs of malnourished children, pregnant and nursing women, and school children by providing medical services, education, and Ready-to-Use Therapeutic Foods produced in the Organization's factory in Haiti. The Organization's program is supported primarily by contributions, grants, and product sales.

***Description of Program Services and Supporting Activities***

***Program Services***

***Malnutrition Treatment***

The Organization uses Ready-to-Use Therapeutic Foods (RUTF) produced by the Organization's factory in Haiti to treat malnourished children. The Organization works with Haitian clinics and UNICEF to provide RUTF to children in Haiti and 17 additional countries.

***School Feedings***

The Organization produces Vita Mamba in its factory in Haiti. The Organization works with schools to provide Vita Mamba to school children, which improves classroom engagement and school performance, and improves students' nutritional health.

***Prenatal Supplementation***

The Organization works with prenatal clinics in Haiti to prevent malnutrition in pregnant and breastfeeding mothers by producing a supplemental food called Plumpy'Doz. Mothers can also participate in the Organization's prenatal program, which teaches nutrition and the benefits of breastfeeding.

***Agricultural Development***

The Organization educates Haitian farmers about soil conservation, crop rotation, and more so farmers can improve the quality and yield of their peanut crops. The farmers supply the Organization with peanuts that will be used to produce RUTF.

***Economic Development***

The Organization supports the local economy by purchasing peanuts from local farmers and by producing RUTF in the Organization's factory in Haiti. The factory is fully managed and operated by a Haitian team.

***Supporting Activities***

***Management and General***

Includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Organization's program strategy, and manage the financial and budgetary responsibilities of the Organization.

***Fundraising Activities***

Provide the structure necessary to encourage and secure private financial support from corporations, foundations, and individuals in the form of gifts as well as support of fundraising events.

***Basis of Accounting***

The Organization uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Notes to Financial Statements (continued)

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

***Use of Estimates***

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

***Financial Statement Presentation***

The Organization reports its information regarding financial position and activities according to the following net asset classifications:

***Net assets without donor restrictions***

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

***Net assets with donor restrictions***

Net assets are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no donor restrictions perpetual in nature for the year ended September 30, 2025. See Note 8.

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

***Cash and Cash Equivalents***

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

***Accounts Receivable***

Accounts receivable consists primarily of noninterest-bearing amounts due for program services. For the year ended September 30, 2025, the Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

***Pledges Receivable***

The Organization recognizes the full amount of the pledges received in the period that they were made as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. There were no pledges receivable for the year ended September 30, 2025.

***Inventory***

Inventory consists primarily of raw materials and finished products, which are valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Donated inventory is valued at its estimated fair value at the date of donation. Provisions are recorded to reduce inventory for obsolete or slow-moving inventory based on assumptions about future demand, the impact of new product introductions, inventory levels and turns, product spoilage, and specific identification of items, such as product discontinuance. For the year ended September 30, 2025, no provisions were made.

***Investments Valuation and Income Recognition***

Investments are reflected at fair value.

## Notes to Financial Statements (continued)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*****Property and Equipment***

Property and equipment are stated at cost if purchased or fair value on the date of contribution if donated. The Organization capitalizes all property & equipment with a purchase price or fair value of \$1,000 or more. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Building and improvements	20 years
Furniture and equipment	5 – 7 years
Vehicles	5 years

***Debt Issuance Costs***

The Organization accounts for debt issuance costs in accordance with FASB ASU 2015-03. These costs are amortized over the life of the loan using the interest method and are presented as a direct deduction from the related loan.

***Contributions***

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. When a donor-imposed restriction is satisfied, restricted net assets are released and reported as an increase in net assets without donor restrictions. However, if the restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as net assets without donor restrictions.

***In-Kind Contributions***

Contributed supplies and services are recorded at the estimated fair value if they enhance the Organization's non-financial assets or are specialized skills that the Organization would normally purchase if not provided by donation. See Note 9.

***Revenue and Revenue Recognition***

The Organization receives revenue from product sales, contributions, grants, and special events. The Organization recognizes revenue from product sales when the products are delivered. Payments received in advance of product delivery, including deposits, are deferred to the applicable period.

The Organization recognizes contributions and grants when cash, securities or other assets, unconditional promises to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met. There were no conditional promises to give for the year ended September 30, 2025.

The Organization recognizes revenue from ticket sales during the period in which the special event takes place.

***Functional Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on estimates made by management.

Personnel expenses are allocated on the basis of estimates of time and effort, and depreciation expense is allocated on the basis of square footage. All other expenses are allocated based on direct costs.

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**MEDS & FOOD FOR KIDS**

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Notes to Financial Statements (continued)

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

***Advertising Costs***

Advertising costs are expensed as incurred. Advertising expense was \$73,425 for the year ended September 30, 2025.

***Leases***

The Organization leases office space in the US and a house in Haiti. The Organization assesses whether an arrangement qualifies as a lease (conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms or conditions of the arrangement are modified. The Organization recognizes a liability representing the future lease payments and a right-of-use (ROU) asset representing its right to use the underlying asset for the lease term. The Organization has elected to treat leases with a lease term of 12 months or less as short-term leases and are not recorded on the statement of financial position. Lease expense is recognized on a straight-line basis over the lease term for short term leases, and variable lease expenses are recognized in the period in which they are incurred

***Income Taxes***

The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. As such, the Organization can only be taxed on the income from any business activities unrelated to its charitable purposes, if any.

Financial accounting standards for uncertain tax positions prohibit financial statement recognition of the impact of a tax position if the position is not "more likely than not" to be sustained on audit, based on the technical merits of the position. The Organization's federal Form 990s remain subject to examination by taxing authorities, generally for three years after they have been filed. As of February 19, 2026, no returns have been selected for examination.

***Subsequent Events***

The Organization has evaluated subsequent events through February 19, 2026, the date which the financial statements were available to be issued, for possible additional recognition or disclosure.

**NOTE 2 AVAILABILITY AND LIQUIDITY**

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

<b>Financial assets at year end:</b>	
Cash and cash equivalents	\$ 565,788
Accounts receivable	784,843
Employee receivable	1,240
Investments	22,236
<b>Total financial assets</b>	<b>1,374,107</b>
<b>Less amounts not available to be used within one year:</b>	
Net assets with donor restrictions	382,360
Less net assets with time and purpose restrictions to be met in less than one year	<u>(382,360)</u>
<b>Total amounts not available to be used within one year</b>	<b>-</b>
<b>Total financial assets available to meet general expenditures over the next twelve months</b>	<b><u>\$ 1,374,107</u></b>

Notes to Financial Statements (continued)

**NOTE 3 CONCENTRATIONS OF CREDIT RISK**

Financial instruments that potentially subject the Organization to credit risk consist primarily of cash, cash equivalents, and receivables.

The Organization maintains cash balances with several financial institutions in the St. Louis, Missouri area. Cash accounts at each St. Louis institution covered by the Federal Deposit Insurance Corporation (FDIC) are insured up to \$250,000 under the FDIC's general deposit insurance rules. The cash balances did not exceed FDIC limits at September 30, 2025 for the St. Louis financial institutions.

The Organization maintains cash balances with several banks in Haiti. As of September 30, 2025, cash held in banks located in Haiti were not insured by depository insurance and totaled \$19,589.

**NOTE 4 PROPERTY AND EQUIPMENT**

Land	\$ 119,935
Buildings	5,606,097
Equipment	2,614,011
Vehicles	357,204
Furniture	136,817
Construction in progress	<u>694,559</u>
Property and equipment, at cost	9,528,623
Less accumulated depreciation	<u>(5,308,670)</u>
<b>Property and Equipment, Net</b>	<b>\$ 4,219,953</b>

Depreciation expense was \$357,172 for the year ended September 30, 2025.

**NOTE 5 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques 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 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

The three levels of the fair value hierarchy under the standards are described as follows:

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

**NOTE 5 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

Level 3 Inputs to the valuation methodology are significant unobservable inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

*Corporate Stocks:* Valued at the closing price reported on the New York Stock Exchange.

The inputs or methodologies used for valuing investments may not be an indication of the risk associated with investing in those securities. Furthermore, management believes its valuation methods are appropriate and consistent. The use of different methodologies or assumptions could result in a different fair value measurement at the reporting date.

The Organization's assets that are measured at fair value are valued at level 1 and amount to \$22,236 for the year ended September 30, 2025.

**NOTE 6 LINE OF CREDIT**

The Organization has a line of credit with Beneficial Returns, LLC in the amount of \$800,000. The line of credit will mature December 15, 2026. Security for the line includes all personal property of the Organization. This line is guaranteed up to \$400,000 by four guarantors. The loan agreement requires that the Organization maintain a minimum current ratio of 1:25. At September 30, 2025, the Organization was in compliance with the financial covenant. The Organization is also required to provide audited GAAP financial statements within 180 days of the fiscal year-end. The interest rate on the line is 1.375% and is payable in monthly installments, with principal due December 15, 2026. The agreement includes an \$18,000 loan fee, that was paid by the donor-specific funds, and which is amortized monthly and recorded as interest expense. For the year ended September 30, 2025, interest expense on the loan was \$14,826, of which \$4,747 was the amortization of the loan fee.

**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS**

For the year ended September 30, 2025, revenue recognized for goods transferred at a point in time totaled \$4,146,927. The Organization delivers products to its customers on a contractual basis, which can be subject to change. As of October 1, 2024, the accounts receivable for contracts was \$1,297,331.

In August 2025, the Organization entered into an agreement to transport products for UNICEF. The term of the contract is for 17 months, beginning on August 6, 2025, and ending on December 31, 2026. The Organization transports products for UNICEF on a contractual basis, which can be subject to change. For the year ended September 30, 2025, revenue recognized for transporting products for UNICEF totaled \$69,591.

The Organization's revenues, results of operations, and cash flows are affected by a wide variety of factors, including general economic conditions, the geographical regions of its customers, the type of customer, and the type of products sold.

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Notes to Financial Statements (continued)

**NOTE 8 RESTRICTIONS ON NET ASSETS**

The Organization received the following contributions with donor restrictions during the year ended September 30, 2025:

Time and purpose restrictions	\$ 200,000
Purpose restrictions	<u>25,000</u>
<b>Total</b>	<b><u>\$ 225,000</u></b>

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors as follows during the year ended September 30, 2025:

Time and purpose restrictions	\$ 783,036
Purpose restrictions met	<u>10,724</u>
<b>Total</b>	<b><u>\$ 793,760</u></b>

Net assets with donor restrictions were available for the following purposes at September 30, 2025:

<b>Time and purpose restrictions</b>	
Vita mamba project	\$ 153,843
Capital improvements project	<u>203,441</u>
<b>Purpose restrictions</b>	
PlumpDoz project	<u>25,076</u>
<b>Total</b>	<b><u>\$ 382,360</u></b>

**NOTE 9 CONTRIBUTED SUPPLIES AND SERVICES**

Significant qualifying supplies and services are contributed to the Organization annually and are recorded at fair value upon receipt. For the year ended September 30, 2025, the Organization recognized in-kind support as follows:

Stock	\$ 23,441
Services	<u>1,470</u>
<b>Total In-Kind Contributions</b>	<b><u>\$ 24,911</u></b>

**NOTE 10 LEASES**

In October 2023, the Organization entered into a lease agreement with an unrelated party for a house in Haiti. The lease calls for an annual lease of \$7,000 and matures on October 30, 2026.

On April 1, 2020, the Organization entered into a three-year lease agreement with an unrelated party for office space in Shrewsbury, Missouri. Minimum monthly lease payments are \$1,140. Additional rent may be charged for use of conference rooms. The Organization has the option to renew the lease for five additional options of three years each, provided that the Organization delivers written notice at least 180 days prior to exercising the option. The Organization has exercised the first option period which expires March 31, 2026. The Organization expects to exercise the second option which extends the lease for an additional 3 years expiring March 31, 2029.

Notes to Financial Statements (continued)

**NOTE 10 LEASES (CONTINUED)**

On October 1, 2022, the Organization recognized a lease liability for operating leases of \$68,137, which represents the present value of the remaining base lease payments of \$88,920, discounted using the Organization's incremental borrowing rate of 8.5%, and a right-of-use asset of \$68,137. Lease expense for the year ended September 30, 2025 was \$13,680.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liability as follows:

<b>Years Ending September 30,</b>	
2026	\$ 13,680
2027	13,680
2028	13,680
2029	6,840
<hr/>	
<b>Total Future Minimum Lease Payments</b>	<b>\$ 47,880</b>

The Organization elected to apply the short-term lease measurement and recognition exemption to its other leases. For the year ended September 30, 2025, there was one lease considered exempt.

Rent expense includes the following for the year ended September 30, 2025:

Operating lease	\$ 13,680
Other leases	9,078
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<b>Total Rent Expense</b>	<b>\$ 22,758</b>

**UNICEF Leases**

In February 2024, the Organization entered into an agreement to lease warehouse space to the United Nations Children's Fund ("UNICEF"). The term of the lease is for one year, beginning on May 1, 2024, and ending on April 30, 2025. UNICEF paid the Organization \$16,986 per month. The Organization made a verbal agreement with UNICEF to extend the lease on a month-to-month basis and to increase the monthly payment to \$18,318, beginning May 2025.

In July 2025, the Organization entered into an agreement to lease additional warehouse space to UNICEF. The lease consists of variable storage and handling fees.

For the year ended September 30, 2025, \$289,317 was recognized as lease revenue.