

COFFEE FOR GOOD, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023



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FOR THE YEARS ENDED JUNE 30, 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of
Coffee for Good, Inc.

We have reviewed the accompanying financial statements of the Coffee for Good, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Coffee for Good, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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 accordance with accounting principles generally accepted in the United States of America.

Eck Tax & Accounting, LLC
Park Ridge, New Jersey
May 1, 2024

COFFEE FOR GOOD, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

Current Assets:

Cash	\$ 238,363
Merchandise inventory	13,002
Total Current Assets	<u>251,365</u>

Property and equipment, net	<u>207,500</u>
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TOTAL ASSETS	<u>\$ 458,865</u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Gift card balances	\$ 21,707
Credit card payable	11,421
Sales tax payable	7,194
Total Current Liabilities	<u>40,322</u>

NET ASSETS

Without donor restrictions	418,543
With donor restrictions	<u>-</u>

Total Net assets	<u>418,543</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 458,865</u>
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COFFEE FOR GOOD, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Food sales	\$ 344,649	\$ -	\$ 344,649
Contributions	234,121	4,150	238,271
Merchandise sales	27,724	-	27,724
Interest and other income	6,180	-	6,180
Net assets released from restriction	4,150	(4,150)	-
Total Revenues, Gains and Other Support	616,824	-	616,824
Expenses:			
Program services	456,560	-	456,560
General and administrative	114,672	-	114,672
Fundraising	35	-	35
Total Expenses	571,267	-	571,267
Increase in net assets	45,557	-	45,557
Net assets at beginning of year	372,986	-	372,986
Net assets at end of year	\$ 418,543	\$ -	\$ 418,543

COFFEE FOR GOOD, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2023

	Program Services	Management & General	Fundraising	Total
Salaries and wages	\$ 131,869	\$ 84,181	\$ -	\$ 216,050
Payroll taxes and employee benefits	15,768	5,262	-	21,030
Payroll and Related Expenditures	<u>147,637</u>	<u>89,443</u>	<u>-</u>	<u>237,080</u>
Food costs	115,063	-	-	115,063
Rent	77,803	-	-	77,803
Restaurant supplies	25,464	-	-	25,464
Merchandise	18,149	-	-	18,149
Employee meal allowance	17,728	-	-	17,728
Credit card processing fees	15,795	-	-	15,795
Professional fees	-	10,497	-	10,497
Utilities	9,052	-	-	9,052
Insurance	-	8,290	-	8,290
Facility maintenance	6,395	-	-	6,395
Computer and internet	5,247	-	-	5,247
Advertising	-	3,669	-	3,669
Employee Uniforms	1,817	-	-	1,817
Other	-	925	35	960
Licenses and registrations	-	705	-	705
Office and administrative	-	643	-	643
Charitable contributions	-	500	-	500
Total Expenses Before Depreciation	<u>440,150</u>	<u>114,672</u>	<u>35</u>	<u>554,857</u>
Depreciation and amortization	16,410	-	-	16,410
Total Functional Expenses	<u>\$ 456,560</u>	<u>\$ 114,672</u>	<u>\$ 35</u>	<u>\$ 571,267</u>

See independent accountant's report and notes to financial statements.

THE TRANSPORTATION ASSOCIATION OF GREENWICH
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$	45,557
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Adjustments to reconcile change in net assets to net cash from operating activities:

Depreciation		16,410
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Changes in assets and liabilities:

Merchandise inventory		(729)
Other assets		1,009
Gift cards		5,725
Sales tax payable		1,101
Credit card payable		(4,543)

Net Cash (Used In)/Provided By Operating Activities		<u>64,530</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Net Proceeds from/(Purchases) of Fixed Assets		<u>(19,451)</u>
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Net Cash Provided by/(Used In) Investing Activities		<u>(19,451)</u>
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Net Change in Cash		<u>45,079</u>
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CASH

Beginning of year		<u>193,284</u>
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End of year	\$	<u><u>238,363</u></u>
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Supplemental disclosures of cash flow information:

Interest paid	\$	-
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COFFEE FOR GOOD, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023

NOTE 1 - NATURE OF ORGANIZATION

Coffee for Good is not your ordinary high-end coffee shop, it is also a training platform for people with intellectual and developmental disabilities. Our goal is to be a self-sustaining, nonprofit that provides employment-based training for people with disabilities. Coffee for Good will be giving our trainees the opportunity to succeed and be part of the local workforce.

Our mission is to improve the lives of people with disabilities by reducing the unemployment rate in that community.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared under the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

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. The Organization's board of trustees may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit 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.

Revenue Recognition

Contributions: Contributions are recognized as net assets without donor restrictions unless their use is specifically restricted by the donor. When a donor restriction expires, the stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions. Contributions for which restrictions are fulfilled in the same time period in which the contributions are received are recognized as net assets without donor restrictions. Contributions that are permanently restricted by the donor, from which the Organization may only draw from the permanently restricted assets in accordance with direction from the donor (e.g., income only, a defined percentage, income plus realized gains, etc.)

COFFEE FOR GOOD, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory is made up of merchandise items (T-shirts, coffee mugs, water bottles...) and is valued at cost on the balance sheet.

Property and Equipment

Expenditures for property and equipment are capitalized at cost, if purchased, or at estimated fair values on dates donated. Purchases of \$1,000 or more are capitalized as incurred. Repairs and maintenance to existing facilities are expensed as incurred. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as restricted support. Property and equipment are depreciated using the straight-line method based on the following estimated useful lives of the assets:

Leasehold improvements	15 years
Furniture and fixtures	7 years
Equipment	3 to 5 years

Use of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization regularly assesses these estimates and, while actual results may differ from these estimates, management believes that material changes will not occur in the near term.

Functional Expenses

Functional expenses have been allocated between program, management and general and fundraising services based upon actual costs and percentage of personnel time devoted to each area. Certain overhead costs have been allocated based upon analysis of aggregate charges within each functional area.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was \$3,669 for the year ended June 30, 2023.

Uncertainty in Income Taxes

The Organization evaluates all significant tax provisions as required by accounting practices generally accepted in the United States of America. As of June 30, 2023, the Organization does not believe that it has taken any positions that would require recording any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

Generally, federal and state authorities may examine the Organization's informational tax returns for the three years from date of filing. Consequently, income tax returns for years prior to 2020 are no longer subject to examination by tax authorities.

COFFEE FOR GOOD, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the Organization considers all dollar-denominated, highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Going Concern

The financial statements have been prepared under the going concern basis of accounting. Under this presumption, the Organization is reasonably expected to remain in existence and honor all its commitments for the foreseeable future.

NOTE 3 - LIQUIDITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 238,363
Inventory	<u>13,002</u>
Total	\$ 251,365

NOTE 4 - CONTRIBUTIONS

A contribution is defined as an unconditional transfer of cash or assets to a new owner in a manner that is voluntary and is nonreciprocal. Contribution revenue was \$238,923 for the year ended June 30, 2023.

NOTE 5 - PROPERTY AND EQUIPMENT

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

Leasehold improvements	204,459
Machinery and equipment	<u>19,451</u>
	223,910
Less: accumulated depreciation	<u>(16,410)</u>
Total Property and Equipment, net	<u>\$ 207,500</u>

Depreciation was \$16,410 for the year ended June 30, 2023.

COFFEE FOR GOOD, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023

NOTE 6 - NET ASSETS

Net assets without donor restrictions are available to finance general operations of the Organization and may be expended at the discretion of the Organization's board of trustees. The net assets without donor restrictions consists of the following:

	<u>2023</u>
Net Assets without Donor Restrictions	\$ 418,543
Net Assets with Donor Restrictions	<u>0</u>
Total	<u>\$ 418,543</u>

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Organization has a 3 year lease for the space through June 30, 2024. A new lease is currently being negotiated and is expected to be renewed. Total rent expense was \$77,803 for the year ended June 30, 2023.

NOTE 8 - CONCENTRATIONS

The Organization maintains its cash and cash equivalents at high-credit, quality financial institutions. The balances in cash accounts may at times exceed federally insured limits. As of June 30, 2023, the Organization's bank cash balances did not exceeded Federal Deposit Insurance Corporation ("FDIC") limits. The Organization regularly monitors the financial conditions of the banking institutions and endeavors to keep potential risk at minimum.

NOTE 9 - INCOME TAXES

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Contributions made to the Organization are qualified for the maximum tax deductions allowable under the United States Internal Revenue Code. The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) annually. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization has determined it has no activities subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS, for the years ended June 30, 2023.

NOTE 10 - SUBSEQUENT EVENTS

In accordance with ASC 855, the Organization evaluated subsequent events through May 1, 2024, the date these financial statements were available to be issued. There are no material subsequent events that have occurred subsequent to the financial position date through, May 1, 2024 that required recognition or additional disclosure in these financial statements.