

**BREAD OF LIFE, INC.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Bread of Life, Inc.  
Malden, Massachusetts

We have audited the accompanying consolidated financial statements of the Bread of Life, Inc. (a Massachusetts non-profit corporation), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, cash flows, and functional expenses for the years 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 consolidated 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 presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

To the Board of Directors  
Bread of Life, Inc.  
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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 consolidated financial statements referred to above presented fairly, in all material respects, the financial position of Bread of Life, Inc. as of December 31, 2018 and 2017, and the changes in its net assets, cash flows, and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Russell, Brian & Co. LLP*

Certified Public Accountants  
Boston, Massachusetts

November 13, 2019

**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 AND 2017**

**ASSETS**

	2018	2017
Cash and cash equivalents	\$ 289,902	\$ 302,683
Contributions receivable - government grants	29,099	27,669
Contributions receivable, net	-	22,895
Prepaid insurance	8,331	5,475
Cash restricted to building project	260,895	222,515
Fixed Assets		
Building	750,000	750,000
Equipment	12,838	8,099
Vehicles	71,834	71,834
Total fixed assets	834,672	829,933
Less: accumulated depreciation	(155,172)	(131,052)
Net fixed assets	679,500	698,881
Total assets	\$ 1,267,727	\$ 1,280,118

**LIABILITIES AND NET ASSETS**

Payables and accrued expenses	\$ 18,958	\$ 12,089
Mortgage notes	683,649	713,884
Tri-Cap note	100,000	100,000
Total liabilities	802,607	825,973
Net Assets		
Without donor restrictions	204,225	231,630
With donor restrictions	260,895	222,515
Total net assets	465,120	454,145
Total liabilities and net assets	\$ 1,267,727	\$ 1,280,118

See accompanying notes to the financial statements.

**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018			2017
	Without Donor Restrictions	With Donor Restrictions	Total	
Support and revenue				
Public support				
Government grants	\$ 49,250	\$ -	\$ 49,250	\$ 53,548
Foundation and private grants	248,021	113,326	361,347	340,068
Fundraising events, gifts, & contributions	166,024	-	166,024	181,342
Total public support	463,295	113,326	576,621	574,958
Other revenue				
Interest income	-	-	-	80
Other revenue	500	-	500	3,828
Donated space, goods & services	229,424	-	229,424	260,603
Net assets released from restrictions	74,946	(74,946)	-	-
Total other revenue	304,870	(74,946)	229,924	264,511
Total support and revenue	768,165	38,380	806,545	839,469
Functional expenses				
Program services				
Meals program - purchased	205,856	-	205,856	197,039
Meals program - donated	200,543	-	200,543	231,797
Food pantry - purchased	152,097	-	152,097	156,147
Food pantry - donated	21,646	-	21,646	21,646
Total program services	580,142	-	580,142	606,629
Supporting services				
Administrative - purchased	93,032	-	93,032	55,925
Administrative - donated	7,235	-	7,235	7,160
Fundraising - purchased	115,161	-	115,161	40,892
Total supporting services	215,428	-	215,428	103,977
Total functional expenses	795,570	-	795,570	710,607
Change in net assets	(27,405)	38,380	10,975	128,862
Net assets, beginning of year	231,630	222,515	454,145	325,283
Net assets, end of year	\$ 204,225	\$ 260,895	\$ 465,120	\$ 454,145

See accompanying notes to the financial statements.

**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Public support			
Government grants	\$ 53,548	\$ -	\$ 53,548
Foundation and private grants	196,532	143,536	340,068
Fundraising events, gifts, & contributions	181,342	-	181,342
Total public support	<u>431,422</u>	<u>143,536</u>	<u>574,958</u>
Other revenue			
Interest income	80	-	80
Other revenue	3,828	-	3,828
Donated space, goods & services	260,603	-	260,603
Net assets released from restrictions	32,867	(32,867)	-
Total other revenue	<u>297,378</u>	<u>(32,867)</u>	<u>264,511</u>
Total support and revenue	<u>728,800</u>	<u>110,669</u>	<u>839,469</u>
Functional expenses			
Program services			
Meals program - purchased	197,039	-	197,039
Meals program - donated	231,797	-	231,797
Food pantry - purchased	156,147	-	156,147
Food pantry - donated	21,646	-	21,646
Total program services	<u>606,630</u>	<u>-</u>	<u>606,630</u>
Supporting services			
Administrative - purchased	55,925	-	55,925
Administrative - donated	7,160	-	7,160
Fundraising - purchased	40,892	-	40,892
Total supporting services	<u>103,977</u>	<u>-</u>	<u>103,977</u>
Total functional expenses	<u>710,607</u>	<u>-</u>	<u>710,607</u>
Change in net assets	18,193	110,669	128,862
Net assets, beginning of year	213,437	111,846	325,283
Net assets, end of year	<u>\$ 231,630</u>	<u>\$ 222,515</u>	<u>\$ 454,145</u>

See accompanying notes to the financial statements.

**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018				
	Program Expense	Administrative Expenses	Fundraising Expenses	Total	2017
Salaries and wages	\$ 177,973	\$ 26,696	\$ 17,797	\$ 222,466	\$ 200,650
Payroll taxes	17,081	2,562	1,708	21,351	20,105
Employee benefits	36,379	5,457	3,638	45,474	37,710
Accounting services	6,000	900	600	7,500	7,500
Client food and personal items	13,372	2,007	1,337	16,716	14,443
Depreciation	24,120	-	-	24,120	26,050
Marketing	-	-	80,975	80,975	-
Fees and licenses	4,456	668	446	5,570	4,121
Insurance	10,508	1,576	1,051	13,135	12,440
Office and program supplies	5,115	767	512	6,394	5,583
Other professional fees	590	88	59	737	48,952
Postage and delivery	1,156	173	116	1,445	1,362
Printing and copying	-	-	-	-	349
Rental space	11,868	1,780	1,187	14,835	12,187
Telephone	2,713	407	271	3,391	4,038
Utilities	14,665	2,200	1,466	18,331	19,726
Van expenses	7,675	1,151	768	9,594	2,997
Interest expense	-	33,744	-	33,744	15,033
Bad debt expense	10,303	10,760	1,832	22,895	-
Miscellaneous	13,979	2,096	1,398	17,473	16,758
Subtotal	<u>357,953</u>	<u>93,032</u>	<u>115,161</u>	<u>566,146</u>	<u>450,004</u>
Donated goods and services					
Volunteer services	-	7,235	-	7,235	7,160
Client food and personal items	200,543	-	-	200,543	231,797
Space/facility usage and parking	21,646	-	-	21,646	21,646
Subtotal	<u>222,189</u>	<u>7,235</u>	<u>-</u>	<u>229,424</u>	<u>260,603</u>
Total functional expenses	<u>\$ 580,142</u>	<u>\$ 100,267</u>	<u>\$ 115,161</u>	<u>\$ 795,570</u>	<u>\$ 710,607</u>

See accompanying notes to the financial statements.



**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017			
	Program Expense	Administrative Expenses	Fundraising Expenses	Total
Salaries and wages	\$ 160,521	\$ 20,065	\$ 20,064	\$ 200,650
Payroll taxes	16,084	2,010	2,011	20,105
Employee benefits	30,168	3,771	3,771	37,710
Accounting services	6,000	750	750	7,500
Client food and personal items	11,555	1,444	1,444	14,443
Depreciation	26,050	-	-	26,050
Fees and licenses	3,297	412	412	4,121
Liability insurance	9,952	1,244	1,244	12,440
Office and program supplies	4,467	558	558	5,583
Other professional fees	39,162	4,895	4,895	48,952
Postage and delivery	1,090	136	136	1,362
Printing and copying	279	35	35	349
Rental space	9,749	1,219	1,219	12,187
Telephone	3,230	404	404	4,038
Utilities	15,780	1,973	1,973	19,726
Van expenses	2,397	300	300	2,997
Interest expense	-	15,033	-	15,033
Miscellaneous	13,406	1,676	1,676	16,758
Subtotal	<u>353,187</u>	<u>55,925</u>	<u>40,892</u>	<u>450,004</u>
Donated goods and services				
Volunteer services	-	7,160	-	7,160
Client food and personal items	231,797	-	-	231,797
Space/facility usage and parking	21,646	-	-	21,646
Subtotal	<u>253,443</u>	<u>7,160</u>	<u>-</u>	<u>260,603</u>
Total functional expenses	<u>\$ 606,630</u>	<u>\$ 63,085</u>	<u>\$ 40,892</u>	<u>\$ 710,607</u>

See accompanying notes to the financial statements.

**BREAD OF LIFE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from government grants	\$ 49,250	\$ 53,548
Contributions received, net of amounts restricted for long-term purposes	248,021	\$ 196,532
Receipts from special events	166,024	181,342
Other cash receipts	500	3,908
Payments for salaries, benefits and payroll taxes	(289,291)	(258,465)
Payments to vendors	<u>(152,311)</u>	<u>(220,944)</u>
Net cash provided by operating activities	<u>22,193</u>	<u>(44,079)</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(4,739)	(1,002)
(Addition to) cash restricted to building project	<u>(113,326)</u>	<u>(143,536)</u>
Net cash provided by investing activities	<u>(118,065)</u>	<u>(144,538)</u>
Cash flows from financing activities		
Collections of contributions restricted to building project	113,326	143,536
Mortgage repayments	<u>(30,235)</u>	<u>(36,116)</u>
Net cash from financing activities	<u>83,091</u>	<u>107,420</u>
Net change in cash and cash equivalents	(12,781)	(81,197)
Cash, beginning of year	<u>302,683</u>	<u>383,880</u>
Cash, end of year	<u>\$ 289,902</u>	<u>\$ 302,683</u>

See accompanying notes to the financial statements.

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**Note 1 - Principal Activity and Significant Accounting Policies**

Bread of Life is a nonprofit, nondenominational faith-based organization serving the communities north of Boston, with a mission to feed the body and to nurture the soul. Founded in 1980 and incorporated as a non-profit in 1992, Bread of Life brings together over 500 volunteers from 45 partner organizations from the faith community, businesses, civic organizations, schools, healthcare, government and social service agencies from Malden, Everett, Medford, Melrose, Wakefield, Reading and Peabody to offer free food to hungry, homeless, and isolated people. BOL distributes the equivalent of 1 million free meals per year. Services provided include evening meals held four nights a week in Malden, food pantries in Malden and Everett, grocery delivery to senior citizens in public housing in Malden, Everett, Melrose and Medford, and food delivery to at-risk teens and homeless families sheltered in local motels.

Bread of Life, Inc. (the "Organization") was incorporated in 1992 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt, not-for-profit corporation under Section 501c(3) of the Internal Revenue Code. Bread of Life, Inc. has been classified as an organization which is not a private foundation under Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

**- Financial Statement Presentation**

The Organization reports 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 with donor restrictions are subject to donor-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, such as those that the donor stipulates that resources be maintained in perpetuity. Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions.

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

**- Principles of Consolidation**

The consolidated financial statements include the accounts of the Organization and its wholly owned subsidiary, 54 Eastern Ave Malden LLC. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as "Bread of Life."

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

- **Cash and Cash Equivalents**

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition. The Organization maintains at one financial institution cash and cash equivalents which, at times, may exceed federally insured amounts.

- **Contributions Receivable**

We record contributions receivable that are expected to be collected within one year are recorded at net realizable value. Contributions receivables expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At December 31, 2018 \$22,895 of contributions receivable has been written off as bad debt expense.

- **Property and Equipment**

The Organization records property and equipment at cost at the date of acquisition or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 39 years.

Depreciation is based on the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Building	39
Equipment	5
Vehicles	5

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

- **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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

- **Revenues and Revenue Recognition**

Revenue is recognized when earned. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

- **Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received (Note 6).

- **Functional Allocation of Expenses**

The cost of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain cost have been allocated among the programs and supporting services benefited.

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

- **Compensated Absences**

Employees of the Organization are entitled to paid vacations, paid sick days off, depending on job classification, length of service, and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying statements.

The Organization's policy is to recognize the costs of compensated absences when actually paid to employees.

- **Income Tax**

The Organization is a not-for-profit corporation as described in Section 501c(3) of the Internal Revenue code and is generally exempt from Federal income taxes under Section 501(a). Management believes the tax exempt status will be maintained in the future.

- **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

- **Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**Note 2 - Liquidity and Availability**

The Organization has \$579,896 of financial assets available for general expenditure within one year of the balance sheet date, consisting of cash of \$550,797 and contributions receivables of \$29,099. Of these liquid assets, \$260,895 have donor restrictions placed on them by donors related to the funding of the building project.

Cash	\$ 579,896
Contributions receivable	29,099
Total	\$ 608,995
Less: Net Assets with donor restrictions	(260,895)
Net assets available for general expenses	\$ 348,100

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**Note 3 - Contributions Receivable**

Contributions Receivable are estimated to be collected as follows at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Within one year	\$ 29,099	\$ 50,564

**Note 4 - Restrictions on Net Assets**

Temporarily restricted net assets are restricted to:

Building Fund (Capital Campaign)	\$ 260,895
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**Note 5 - Net Assets Released from Restrictions**

Temporarily restricted net assets released from restrictions for 2018:

Building Fund (Capital Campaign)	\$ 74,946
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**Note 6 - In-Kind Donations**

We received donated professional services and goods as follows during the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Rent	\$ 11,596	\$ 11,596
Parking	10,050	10,050
Pantry/Meals	176,198	205,570
Professional Services	7,160	7,160
Restaurant meals	12,100	10,800
Program supplies	12,320	11,020
Clothing	-	4,407
Total	<u>\$ 229,424</u>	<u>\$ 260,603</u>

**Note 7 - Functionalized Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses are allocated on the basis of estimates of time and effort.

**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**Note 8 - Acquisition of 54 Eastern Ave Malden LLC**

On August 14, 2013 the Organization and Tri-City Community Action Program, Inc. (Tri-Cap) created a limited liability company to purchase a building at 54 Eastern Avenue in Malden, Massachusetts with a purchase price of \$750,000. The limited liability company formed was 54 Eastern Ave Malden, LLC. The Organization's initial interest in the jointly created LLC was 46.7% of the LLC.

On April 23, 2015 Tri-Cap filed for chapter 11 bankruptcy in the US Bankruptcy court for the District of Massachusetts. On August 27, 2015 the Organization and Tri-Cap entered into an agreement in which Tri-Cap redeemed its remaining Interest in the LLC for a promissory note in the agreed-upon amount of \$100,000 payable on certain conditions. The Bankruptcy Court approved the agreement on September 17, 2015. As a result of the acquisition, the Organization is expected to continue the project of developing affordable apartments, administrative offices, a food pantry, dining room and kitchen on the property (the "Project").

**Note 9 - Mortgage and Notes Payable**

Mortgage and notes payable consist of the following at December 31, 2018 and 2017:

	2018	2017
5.80% mortgage payable, secured by building	\$ 656,544	\$ 671,565
5.00% mortgage payable, secured by building	27,105	42,319
Tri-CAP note, unsecured	100,000	100,000
	783,649	813,884

The Tri-CAP Note will be paid upon closing of the Project affordable housing financing sources to the extent qualified as costs of the affordable housing portion of the Project. If the Project does not proceed because of the termination or lapse of the Special Permit granted to the Project by the City of Malden (or any successor permit for an affordable housing Project), then, for the 180 day period following such termination or lapse, the LLC shall not make any distributions of cash or return capital proceeds to its members and shall have the option (but not the obligation) to pay the balance then due and owing under the Tri-Cap note.

At the end of the 180 day period if the Tri-Cap Note is outstanding, to the extent the Tri-CAP Note is not paid from Project financing sources, whether or not the Project is modified or abandoned by the Organization or the LLC as permitted, then the Tri-CAP Note will be paid out of any distributions of excess cash or capital proceeds of the LLC to the members of the LLC, pari passu with the Existing Bread of Life Expenses and any other capital contributions to the LLC. Bread of Life's capital contributions as of the date hereof are \$50,000 (the "Existing Bread of Life Expenses").



**BREAD OF LIFE, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**Note 9 - Mortgage and Notes Payable** *(continued)*

In addition, the LLC shall not accept any grant money that reimburses the Existing Bread of Life Expenses unless the Tri-CAP Note is paid in full or otherwise reimbursed on a pari passu basis to the extent of such grant money. The LLC may not make distributions of cash or return capital proceeds to its members or accept restricted grant money that reimburses the Existing Bread of Life Expenses until the Tri-CAP Note is satisfied in full. In addition, the Tri-CAP Note shall be prepayable by the LLC, without penalty, at any time.

**Note 10 - Employee Benefits**

The Organization maintains a SIMPLE-IRA retirement plan for eligible employees. The Organization makes a matching contribution to the account of each eligible employee who is employed at the company at year end up to 3% of the employee's salary earned during the year. Expenses related to the plan for 2018 and 2017 were \$3,958 and \$4,172 respectively.

**Note 11 - Taxes**

The Organization evaluates tax positions taken, or expected to be taken, in its tax returns to determine whether tax positions are more-likely-than-not of being sustained by the applicable federal or state authority.

The Organization has evaluated the tax positions taken in its previously filed returns and those expected to be taken in 2018 returns and believes they are more-likely-than-not of being sustained if examined by federal or state authorities. The Organizations' 2015 through 2017 tax years remain subject to examination by federal and state authorities.

54 Eastern Ave Malden, LLC was required to file a partnership tax returns in 2014 - 2016. However, tax returns for those years were not filed and the ramifications is uncertain. If there is a penalty assessed for not filing, it is believed that it will not be material in amount and, therefore, has not been recorded in the financial statements.

**Note 12 - Subsequent Events**

The Organization has performed an evaluation of subsequent events through November 13, 2019 which is the date that financial statements for Bread of Life, Inc. was issued.