



## **SHARE OUR STRENGTH AND SUBSIDIARY**

### **Consolidated Financial Statements and Supplementary Information**

*For the Year Ended June 30, 2023*

*(With Summarized Financial Information for the Year Ended June 30, 2022)*



**and  
Report Thereon**



**SHARE OUR STRENGTH AND SUBSIDIARY**

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**For the Year Ended June 30, 2023**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
**Share Our Strength and Subsidiary**

### ***Opinion***

We have audited the consolidated financial statements of Share Our Strength and Subsidiary (Share Our Strength), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Share Our Strength as of June 30, 2023, 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 Share Our Strength 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 these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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. 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 judgement made by a reasonable user based on the consolidated 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 consolidated 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 consolidated 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 Share Our Strength'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 consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt Share Our Strength'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.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules of financial position and activities are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Report on Summarized Comparative Information*

We have previously audited Share Our Strength's 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Marcum LLP*

Washington, DC  
December 5, 2023

**SHARE OUR STRENGTH AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**June 30, 2023**  
**(With Summarized Financial Information as of June 30, 2022)**

	2023	2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,102,179	\$ 17,513,338
Accounts receivable, net	985,117	434,628
Grants and contributions receivable, net	10,997,293	25,855,669
Prepaid expenses and other assets	2,034,094	1,467,310
Investments	60,642,619	69,450,066
Deferred tax asset	164,872	285,829
Property and equipment, net	672,078	929,390
Right of use asset - operating	3,916,734	-
<b>TOTAL ASSETS</b>	<b>\$ 91,514,986</b>	<b>\$ 115,936,230</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 4,656,096	\$ 5,122,361
Accrued salaries and employee benefits	2,323,307	2,433,412
Grants payable	7,599,649	6,914,558
Deferred revenue	665,002	1,266,972
Grant advance	20,645	361,390
Lease liability - operating	5,261,536	-
Lease liability - financing	8,732	-
Lease termination obligation	530,406	677,535
Deferred rent and leasehold incentives	-	1,829,398
Capital lease obligation	-	13,638
<b>TOTAL LIABILITIES</b>	<b>21,065,373</b>	<b>18,619,264</b>
<b>Net Assets</b>		
Without donor restrictions		
Undesignated	38,022,978	57,833,836
Board-designated	15,646,285	14,605,213
Total Without Donor Restrictions	53,669,263	72,439,049
With donor restrictions	16,780,350	24,877,917
<b>TOTAL NET ASSETS</b>	<b>70,449,613</b>	<b>97,316,966</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 91,514,986</b>	<b>\$ 115,936,230</b>

The accompanying notes are an integral part of these consolidated financial statements.

**SHARE OUR STRENGTH AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2023**  
**(With Summarized Financial Information for the Year Ended June 30, 2022)**

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
<b>REVENUE AND SUPPORT</b>				
In-kind contributions:				
Public service announcements (PSAs) and advertising	\$ 19,653,924	\$ -	\$ 19,653,924	\$ 3,433,873
Other goods and services	5,000	-	5,000	380,447
Individual contributions	33,072,584	212,191	33,284,775	30,194,449
Foundation grants and contributions	9,831,502	16,741,419	26,572,921	25,151,601
Corporate sponsorships, contributions and partners	17,763,755	3,296,006	21,059,761	25,951,285
Government grants	-	1,782,905	1,782,905	3,003,690
Consulting revenue	3,731,960	-	3,731,960	4,551,875
Event ticket and auction revenue	873,284	-	873,284	257,375
Other revenue	13,354	-	13,354	108,022
Investment income (loss), net	240,995	-	240,995	(2,436,030)
Net assets released from restrictions:				
Satisfaction of purpose restrictions	15,218,294	(15,218,294)	-	-
Satisfaction of time restrictions	14,911,794	(14,911,794)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>115,316,446</b>	<b>(8,097,567)</b>	<b>107,218,879</b>	<b>90,596,587</b>
<b>EXPENSES</b>				
Program Services:				
Anti-hunger, anti-poverty initiatives, including in-kind PSAs and advertising of \$10,019,904	81,189,274	-	81,189,274	82,644,225
Community Wealth Partners	5,290,472	-	5,290,472	5,883,990
<b>Total Program Services</b>	<b>86,479,746</b>	<b>-</b>	<b>86,479,746</b>	<b>88,528,215</b>
Supporting Services:				
Management and general	8,644,549	-	8,644,549	6,687,031
Fundraising:				
Other, including in-kind PSAs and advertising of \$9,639,020	38,502,026	-	38,502,026	23,156,780
Direct donor benefits	459,911	-	459,911	280,052
<b>Total Supporting Services</b>	<b>47,606,486</b>	<b>-</b>	<b>47,606,486</b>	<b>30,123,863</b>
<b>TOTAL EXPENSES</b>	<b>134,086,232</b>	<b>-</b>	<b>134,086,232</b>	<b>118,652,078</b>
<b>CHANGE IN NET ASSETS</b>	<b>(18,769,786)</b>	<b>(8,097,567)</b>	<b>(26,867,353)</b>	<b>(28,055,491)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>72,439,049</b>	<b>24,877,917</b>	<b>97,316,966</b>	<b>125,372,457</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 53,669,263</b>	<b>\$ 16,780,350</b>	<b>\$ 70,449,613</b>	<b>\$ 97,316,966</b>

The accompanying notes are an integral part of these consolidated financial statements.

SHARE OUR STRENGTH AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2023  
(With Summarized Financial Information for the Year Ended June 30, 2022)

	Program Services			Supporting Services			2023 Total	2022 Total	
	Anti-Hunger, Anti-Poverty Initiatives	Community Wealth Partners	Total Program Services	Management and General	Fundraising- Other	Direct Donor Benefits			Total Supporting Services
Salaries, benefits and payroll taxes	\$ 23,671,358	\$ 2,591,907	\$ 26,263,265	\$ 4,957,378	\$ 8,867,585	\$ -	\$ 13,824,963	\$ 40,088,228	\$ 38,067,052
Grants	26,482,323	-	26,482,323	-	-	-	-	26,482,323	38,396,541
In-kind PSAs and advertising	10,019,904	-	10,019,904	-	9,634,020	-	9,634,020	19,653,924	3,433,873
Consulting and professional services	7,860,538	2,133,957	9,994,495	760,492	7,177,028	-	7,937,520	17,932,015	16,471,741
Printing, design and production	6,032,046	13,699	6,045,745	234,433	8,775,137	-	9,009,570	15,055,315	9,561,315
Meetings and events	2,537,212	14,125	2,551,337	404,241	1,784,540	459,911	2,648,692	5,200,029	4,152,368
Information technology	1,205,455	22,065	1,227,520	595,881	586,059	-	1,181,940	2,409,460	2,458,394
Rent	1,272,558	-	1,272,558	249,586	480,029	-	729,615	2,002,173	2,825,362
Travel	914,791	157,378	1,072,169	157,800	281,240	-	439,040	1,511,209	481,461
Fees and licenses	14	-	14	1,081,620	8	-	1,081,628	1,081,642	761,440
Postage	515,723	-	515,723	44,434	484,958	-	529,392	1,045,115	849,232
Office supplies, equipment and insurance	404,189	177,044	581,233	106,376	132,530	-	238,906	820,139	713,899
Taxes, interest and miscellaneous	77,996	150,648	228,644	10,398	204,158	-	214,556	443,200	78,250
Depreciation and amortization	195,167	29,649	224,816	41,910	94,734	-	136,644	361,460	401,150
<b>TOTAL EXPENSES</b>	<b>\$ 81,189,274</b>	<b>\$ 5,290,472</b>	<b>\$ 86,479,746</b>	<b>\$ 8,644,549</b>	<b>\$ 38,502,026</b>	<b>\$ 459,911</b>	<b>\$ 47,606,486</b>	<b>\$ 134,086,232</b>	<b>\$ 118,652,078</b>

The accompanying notes are an integral part of these consolidated financial statements.



**SHARE OUR STRENGTH AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended June 30, 2023**  
**(With Summarized Financial Information for the Year Ended June 30, 2022)**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (26,867,353)	\$ (28,055,491)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	361,460	401,150
Amortization of right of use asset - operating lease	1,592,957	-
Loss on disposal of property and equipment	3,493	3,904
Loss on lease termination obligation	-	605,258
Change in allowance for uncollectible grants and contributions	(34,100)	66,941
Change in discount on grants and contributions receivable	110,997	(48,198)
Deferred tax provision and change in allowance	120,957	(57,402)
Unrealized (gain) loss on investments	(800,751)	3,182,369
Realized loss (gain) on sale of investments	1,540,409	(261,951)
Changes in assets and liabilities:		
Accounts receivable	(550,489)	18,807
Grants and contributions receivable	14,781,479	9,801,785
Prepaid expenses and other assets	(566,784)	288,445
Accounts payable and accrued expenses	(466,265)	1,086,462
Accrued salaries and employee benefits	(110,105)	(267,199)
Grants payable	685,091	(1,686,576)
Deferred revenue	(601,970)	781,037
Grant advance	(340,745)	171,278
Deferred rent and leasehold incentives	(1,829,398)	(462,182)
Lease liability - operating	(248,155)	-
Lease termination obligation	(147,129)	(214,768)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(13,366,401)</b>	<b>(14,646,331)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(107,641)	(50,758)
Purchases of investments	(41,449,615)	(183,054,918)
Proceeds from sale of investments	49,517,404	136,888,638
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>7,960,148</b>	<b>(46,217,038)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal repayments on notes payable	-	(305,044)
Principal payments on finance lease obligation	(4,906)	(4,067)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(4,906)</b>	<b>(309,111)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,411,159)</b>	<b>(61,172,480)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>17,513,338</b>	<b>78,685,818</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 12,102,179</b>	<b>\$ 17,513,338</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash payments for interest	\$ 2,246	\$ 13,186
Cash payments for income taxes	\$ 3,466	\$ 6,812

The accompanying notes are an integral part of these consolidated financial statements.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 1. Organization and Summary of Significant Accounting Policies

##### **Organization**

Share Our Strength is one of the nation's leading anti-hunger organizations. Through its No Kid Hungry campaign, Share Our Strength is working to end childhood hunger in the United States by connecting kids in need with nutritious food and teaching their families how to cook healthy, affordable meals. The campaign also engages the public to make ending childhood hunger a national priority. To support these efforts, Share Our Strength raises funds in multiple ways, from individual donors and foundations, by developing cause-related marketing campaigns and securing corporate sponsorships, and by mobilizing volunteer-led special events across the country.

Community Wealth Partners, Inc. (CWP), a wholly owned for-profit subsidiary of Share Our Strength, was incorporated on March 31, 1997, in the state of Delaware. CWP partners with leaders, organizations and networks to solve problems at the magnitude they exist.

##### **Principles of Consolidation**

The consolidated financial statements include the accounts of Share Our Strength and CWP (collectively referred to as Share Our Strength). All intercompany transactions and balances were eliminated.

##### **Basis of Accounting**

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The consolidated financial statements are prepared using the accrual basis of accounting.

##### **Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments with initial maturities of three months or less. Cash and cash equivalents held for investing purposes are considered investments.

##### **Accounts Receivable and Grants and Contributions Receivable**

Grants and contributions receivable that are expected to be collected within one year are recorded at net realizable value. Grants and contributions receivable that are expected to be collected in future years are recorded at the net present value of their estimated future cash flows. The face amount of accounts receivable and grants and contributions receivable is also reduced by an allowance for doubtful accounts. The allowance for doubtful accounts reflects the best estimate of probable losses, determined principally on the basis of historical experience and allowances for specifically identified delinquent accounts. All accounts, or portions thereof, that are deemed uncollectible, or that require an excessive collection cost, are written off to the allowance for doubtful accounts.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 1. Organization and Summary of Significant Accounting Policies (continued)

##### **Investments**

Investments consist of US government bonds, mutual funds, exchange-traded funds, US Treasury bills and money market funds. Investments are recorded in the accompanying consolidated financial statements at their fair value, as based upon quoted market prices, as of June 30, 2023. Fair value is the price that would be received to sell an asset or paid to transfer a liability through an orderly transaction between market participants at the measurement date.

Purchases and sales are reflected on a trade-date basis. Interest, dividends and realized gains or losses are recorded when earned. Changes in the fair value of the portfolio are recorded as unrealized gains or losses. Donated investments are recorded as contributions based on their fair market value at the date of donation.

##### **Fair Value of Financial Instruments**

In accordance with the accounting standards for fair value measurement for those assets and liabilities that are measured at fair value on a recurring basis, Share Our Strength has categorized its applicable assets and liabilities measured at fair value into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest-level input that is significant to the fair value measurement of the instrument.

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that Share Our Strength has the ability to access.

*Level 2* – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

*Level 3* – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

As of and for the year ended June 30, 2023, only Share Our Strength's investments, as described in Note 4 to these consolidated financial statements, were measured at fair value on a recurring basis.

##### **Property and Equipment and Related Depreciation and Amortization**

Property and equipment are recorded at cost. Depreciation of furniture, fixtures, equipment and software is provided for on a straight-line basis over the estimated useful lives of the assets, which range from three to seven years. Leasehold improvements are amortized over

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 1. Organization and Summary of Significant Accounting Policies (continued)

##### **Property and Equipment and Related Depreciation and Amortization (continued)**

the shorter of the lease term or useful life. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation, and any gain or loss is reflected in income or expense in the accompanying consolidated statement of activities. Major additions are capitalized while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

##### **Operating Right-of-Use Asset and Lease Liability**

Share Our Strength determines if an arrangement is or contains a lease at inception. Share Our Strength's office lease is included in right of use (ROU) asset – operating and operating lease liability in the accompanying consolidated statement of financial position. The ROU asset and operating lease liability are recognized at the commencement date of the lease agreement based on the present value of lease payments over the lease term using Share Our Strength's incremental borrowing rate. The ROU asset is amortized on a straight-line basis over the lease term and is reflected as rent expense in the accompanying consolidated statement of functional expenses. The lease liability is reduced as cash payments are made under the terms of the lease.

##### **Grants Payable**

Share Our Strength generally awards grants on an annual basis. Grants are expensed in the year in which the unconditional commitment to give is made to the grantee, in accordance with the grant term. Any amounts promised, but unpaid, as of June 30, 2023, are included in grants payable in the accompanying consolidated statement of financial position. All grants payable are due within one year.

##### **Classification of Net Assets**

Share Our Strength's net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for any purpose in performing the primary objectives of Share Our Strength at the discretion of Share Our Strength's management and the Board of Directors (the Board). From time to time, the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. The Board has designated \$15,646,285 of net assets without donor restrictions to serve as an operating reserve to allow Share Our Strength to fulfill its mission by supporting operations in the event of a future economic downturn and secure Share Our Strength's long-term financial viability. Release and use of Board-designated funds must be approved by the Finance Committee of the Board of Directors in response to a formal request submitted by management.

Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of Share Our Strength or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. As of June 30, 2023, Share Our Strength had no net assets with donor restrictions that are required to be maintained in perpetuity.

**SHARE OUR STRENGTH AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

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1. Organization and Summary of Significant Accounting Policies (continued)

**Support and Revenue Recognition**

Unconditional grants, contributions and sponsorships are reported as revenue and support in the year in which payments are received and/or unconditional promises to give are made. Grants and contributions are considered to be without donor restrictions unless specifically restricted by the donor. Share Our Strength reports such gifts of cash and other assets as having donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Unconditional grants and contributions that have been awarded to Share Our Strength, but not yet received, are reflected as grants and contributions receivable in the accompanying statement of financial position. A contribution is considered conditional if the agreement includes a measurable performance or barrier and a right of return. Conditional promises to give are not recognized until they become unconditional, that is, when the barrier(s) in the agreement are met. Conditional promises to give for which payments have been received, but barrier(s) have not been met are recorded as grant advance in the accompanying consolidated statement of financial position.

Share Our Strength has cost-reimbursable grants and contracts with U.S. government agencies. Revenue from these grants and contracts are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Revenue from these U.S. government grants and contracts is recognized when Share Our Strength has incurred expenditures in compliance with the specific contract or grant provisions plus allowable indirect expenses. Revenue recognized on these grants and contracts for which billings have not been presented to, or collected from, the awarding agencies is included in grants and contributions receivable in the accompanying consolidated statement of financial position. Amounts received in advance are recorded as grant advance in the accompanying consolidated statement of financial position.

Event ticket sales are recognized in the period that the event occurs. Accordingly, event ticket sales collected in advance from customers are recorded as deferred revenue in the accompanying consolidated statement of financial position.

Share Our Strength generally earns consulting revenue under two types of contracts, time-and-materials and fixed price. These contracts are entered into with not-for-profit organizations and other socially conscience companies. Revenue on time-and-materials contracts is recognized to the extent of billable rates times hours delivered plus material expense incurred. Revenue on fixed-price contracts is recognized over time as Share Our Strength's performance does not create an asset with an alternative use and there is an enforceable right to payment for performance completed to date. Anticipated losses are recognized as soon as they become known. Share Our Strength recognized no anticipated losses on uncompleted contracts in the accompanying consolidated statement of activities for the year ended June 30, 2023 as any anticipated losses were determined to not be significant to the consolidated financial statements. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 1. Organization and Summary of Significant Accounting Policies (continued)

##### **Support and Revenue Recognition (continued)**

Revenue recognized on contracts for which payments have not been received is reflected as accounts receivable in the accompanying consolidated statement of financial position. Contract assets represent accrued revenues that have not yet been billed to the customers due to certain contractual terms and are usually billed shortly after this recognition. Contract assets are included in accounts receivable in the accompanying consolidated statement of financial position as contract assets were determined to not be significant to the consolidated financial statements. Contract payments received in advance, but not yet earned, are recorded as deferred revenue in the accompanying consolidated statement of financial position.

##### **Donated Goods and Services**

In-kind contributions include public services announcements (PSA's), media, print, web advertisements, food, legal and professional services (Note 11). Contributed goods and services are recorded at estimated fair value at the date of donation. In-kind expenses are reported as program or support cost when utilized and were recorded as unrestricted assets.

##### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statement of functional expenses. Expenses directly attributable to a specific functional area have been reported as an expense of that function. Salaries and benefits of employees assigned to federal grants are allocated based on time sheets. Salaries and benefits of other employees are allocated to programs and other activities throughout the year using an estimated percentage of the share of time each employee spends in each area. This percentage is reviewed quarterly to ensure that it stays current and reflects the actual time spent. Shared costs that benefit multiple functional categories, such as rent, office and telecommunications, depreciation and amortization and other administrative costs, have been allocated among the functional categories based on estimates determined by management to be equitable.

##### **Estimates**

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

##### **New Accounting Pronouncement**

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) that requires a lessee to recognize on the consolidated statement of the financial position a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term, regardless of the classification of a lease as an operating or finance lease. Share Our Strength adopted ASU 842 on July 1, 2022, using the modified retrospective approach for operating leases, with a term greater than 12 months. The adoption of the standard resulted in the recognition of an operating lease asset in the amount of \$5,509,691, which is net of the deferred rent and lease incentive liability of \$1,829,398, and a lease liability in the amount of \$7,339,089 on the consolidated statement of position as of July 1, 2022. The adoption of the standard did not result in a material change to the consolidated financial statements.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 2. Accounts Receivable

Accounts receivable were comprised of the following as of June 30, 2023:

Consulting fees	\$ 608,196
Other	<u>384,421</u>
Total Accounts Receivable	992,617
Less: Allowance for Doubtful Accounts	<u>(7,500)</u>
Accounts Receivable, Net	<u>\$ 985,117</u>

#### 3. Grants and Contributions Receivable

Grants and contributions receivable were due as follows as of June 30, 2023:

Amounts due in:	
Less than one year	\$ 8,861,568
One to five years	<u>2,305,000</u>
Total Grants and Contributions Receivable	11,166,568
Less: Allowance for Doubtful Accounts	(32,841)
Less: Unamortized Discount	<u>(136,434)</u>
Grants and Contributions Receivable, Net	<u>\$ 10,997,293</u>

Discount rates used for the year ended June 30, 2023, were between a range of 1.54% and 5.20%.

Share Our Strength has received several conditional grants totaling \$4,000,000 as of June 30, 2023. During the year ended June 30, 2023, Share Our Strength recognized \$1,600,000 of revenue with donor restrictions from these conditional grants. Share Our Strength recognized \$200,000 of revenue from these conditional grants in prior fiscal years. As of June 30, 2023, Share Our Strength has yet to recognize revenue of \$2,200,000. In addition, Share Our Strength received conditional cost-reimbursable grants from U.S. government agencies totaling \$2,289,147. As of June 30, 2023, Share Our Strength had approximately \$1,219,363 under the obligated amounts that had yet to be recognized because qualifying expenditures had not yet been incurred.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINACIAL STATEMENTS For the Year Ended June 30, 2023

#### 4. Investments

Share Our Strength's investments as of June 30, 2023, are summarized as follows:

US government and agency bonds	\$ 24,531,380
Mutual funds	10,628,268
Exchange-traded funds	8,992,023
US Treasury bills	8,463,667
Money market funds	<u>8,027,281</u>
Total Investments	<u>\$ 60,642,619</u>

Share Our Strength's investments, as classified in the fair value hierarchy, were as follows as of June 30, 2023:

	Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US government bonds	\$ 24,531,380	\$ 24,531,380	\$ -	\$ -
Mutual funds	10,628,268	10,628,268	-	-
Exchange-traded funds	8,992,023	8,992,023	-	-
US Treasury bills	8,463,667	8,463,667	-	-
Money market funds	<u>8,027,281</u>	<u>8,027,281</u>	<u>-</u>	<u>-</u>
Total Investments				
Measured in Fair Value Hierarchy	<u>60,642,619</u>	<u>\$60,642,619</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments	<u>\$ 60,642,619</u>			

Share Our Strength used the following methods and significant assumptions to estimate fair value for assets and liabilities recorded at fair value:

*US government bonds, mutual funds, exchange-traded funds, US Treasury bills and money market funds*– Value is based on quoted prices in active markets.

#### 5. Property and Equipment and Accumulated Depreciation and Amortization

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

Leasehold improvements	\$ 2,447,109
Furniture, fixtures and equipment	957,124
Computer software and website	<u>1,307,028</u>
Total Property and Equipment	4,711,261



## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINACIAL STATEMENTS For the Year Ended June 30, 2023

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5. Property and Equipment and Accumulated Depreciation and Amortization (continued)

*(continued)*

Less: Accumulated Depreciation and Amortization	\$ <u>(4,039,183)</u>
Property and Equipment, Net	\$ <u>672,078</u>

Depreciation and amortization expense totaled \$361,460 for the year ended June 30, 2023.

6. Operating Leases

Share Our Strength evaluated current contracts to determine which met the criteria of a lease. The ROU asset – operating represents Share Our Strength’s right to use the underlying asset for the lease term, and the operating lease liability represents Share Our Strength’s obligation to make lease payments arising from its lease. The ROU asset and lease liability, all of which arise from Share Our Strength’s headquarters’ office lease, were calculated based on the present value of future lease payments over the lease term. Share Our Strength has made an accounting policy election to use a risk-free rate to discount future lease payments.

In March 2013, Share Our Strength entered into a 12-year noncancelable operating lease agreement for its office space in Washington, D.C. The lease for the 11th-floor space commenced on November 1, 2013 and extends through October 31, 2025. Base monthly rent for the 11th-floor space is \$117,296 and is subject to annual increases of 2.5% per annum. The lease for the 10th-floor space commenced on November 1, 2014 and extends through October 31, 2025. Base monthly rent for the 10th-floor space is \$32,873 and is subject to annual increases of 2.5% per annum. Share Our Strength is required to pay its proportionate share of any increases in real estate taxes and operating expenses of the building. As an incentive to enter into the lease, Share Our Strength received a 10-month rent abatement period on the 11th-floor space, as well as a 10-month rent abatement on the 10th-floor space and a tenant improvement allowance of \$2,969,118, of which \$2,890,070 was spent towards the acquisition of leasehold improvements and furniture, fixtures and equipment during the year ended December 31, 2013. In lieu of a security deposit, Share Our Strength delivered an irrevocable, unconditional letter of credit to the landlord in the amount of \$150,169. This letter of credit is secured through a carve-out on Share Our Strength’s line of credit noted below.

Share Our Strength recorded a lease obligation equal to the present value of the future payments due under the terms of the lease, discounted at a risk-free rate of 2.86%. Rent expense for the lease totaled \$2,002,173 and includes variable lease expense of approximately \$108,000 for the year ended June 30, 2023. There were no noncash investing and financing transactions related to the leasing. Cash paid for the operating lease expense related to the lease for the year ended June 30, 2023, was \$2,242,523.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

#### 6. Operating Leases (continued)

Total future minimum lease payments under Share Our Strength's operating lease are as follows:

<u>For the Year Ending June 30,</u>	
2024	\$ 2,298,640
2025	2,356,162
2026	<u>791,831</u>
Total Lease Liability Before Discount	5,446,333
Less: Present Value Discount	<u>(185,097)</u>
Operating Lease Liability	<u>\$ 5,261,536</u>

#### **Exited Office Space**

On May 6, 2011, CWP entered into a 10-year-and-eight-month noncancelable operating lease agreement for its office space in Washington, D.C. The lease commenced on October 1, 2011, and extends through May 31, 2022. The monthly base rent of \$18,917 is subject to annual escalations of 2.5% in the years thereafter. CWP is also obligated to pay its proportionate share of the real estate taxes and excess operating costs.

On May 2, 2018, CWP signed an amendment to its existing lease agreement to lease additional office space adjacent to its existing Washington, D.C. office. The lease amendment took effect February 1, 2019, and extended the lease term for the expanded office space through May 2029. The amendment includes seven months of abated rent with a monthly base rent of \$28,590 and annual escalations of 2.5% in the years thereafter. As an incentive to enter into the amendment, CWP received a tenant improvement allowance of \$421,040, which was used to improve the extension space.

In December 2021, CWP ceased use of the leased office space and entered into a noncancelable operating sublease with a third party to sublease its office facilities. The sublease commenced on June 1, 2022 and extends through June 30, 2028, with the first four months of rental payments abated as a lease incentive. The base monthly rent in the first year of the sublease is \$21,601 and escalates at 4.5% per annum through the term of the sublease. There is an option within the sublease agreement to extend the sublease through May 31, 2029. In accordance with GAAP, CWP was required to recognize the costs to exit its existing lease agreement as a loss, including the costs that will continue to be incurred under the lease agreement, net of any sublease income and discounted to the present value. The loss also contains the impact related to the deferred rent and lease incentives that were written off at the time of the lease exit. CWP recognized an exit loss and associated lease obligation totaling \$605,258 during the year ended June 30, 2022.

**SHARE OUR STRENGTH AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

6. Operating Leases (continued)

**Exited Office Space (continued)**

At June 30, 2023, CWP was committed to pay the following rental payments under the terms of its old office lease, net of sublease income:

For the Year Ending June 30,	Rent Payments	Sublease Income	Net
2024	\$ 382,623	\$ (271,896)	\$ 110,727
2025	392,172	(284,132)	108,040
2026	401,950	(296,918)	105,032
2027	411,988	(310,279)	101,709
2028	422,300	(324,242)	98,058
Thereafter	432,840	(337,567)	95,273
Total	\$ 2,443,873	\$ (1,825,034)	618,839
			Discount on future cash flows (5.5%) (88,433)
			Lease termination obligation at June 30, 2023 \$ 530,406

The following table provides information about significant changes in CWP's lease termination obligation for the year ended June 30, 2023.

Lease obligation at June 30, 2022	\$ 677,535
Payments made to old landlord	(342,513)
Collection of sublease payments	195,384
Lease termination obligation at June 30, 2023	\$ 530,406

There was no rent expense recognized for the year ended June 30, 2023 related to CWP's exited office space.

7. Lines of Credit

On March 25, 2021, Share Our Strength renewed its line of credit with a financial institution for a principal amount of up to \$5,000,000. The line expired on March 25, 2023. On June 23, 2023, Share Our Strength renewed its line of credit with the same financial institution for similar terms. The line of credit contains a letter of credit carve out sub-feature in the amount of \$150,169 related to its office lease (see Note 6), which reduces the principal available to Share Our Strength. The line is secured by Share Our Strength's personal property and expires on June 25, 2024. Share Our Strength is required to make monthly interest payments on any outstanding balance. Amounts drawn on this line accrue interest at the bank's prime rate minus 0.65%, but not less than 5.00%, and are payable on demand. The interest rate on the line of credit as of June 30, 2023 was 7.60%. There was no borrowing from this line of credit during the year ended June 30, 2023, and no amounts were outstanding as of June 30, 2023.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 7. Lines of Credit (continued)

CWP has a \$500,000 unsecured revolving line of credit with its financial institution that was originally renewed on December 12, 2022 and is set to expire on December 17, 2023. The line of credit bears an interest rate equal to the financial institution's prime rate plus 0.69%, or 8.19% as of June 30, 2023. There was no outstanding balance on the line of credit as of June 30, 2023. There was no interest expense recognized during the year ended June 30, 2023.

#### 8. Net Assets With Donor Restrictions

As of June 30, 2023, net assets with donor restrictions were restricted for the following purposes or period:

Subject to expenditure for specified purpose:

No Kid Hungry	\$ 6,251,412
Other purposes	<u>7,717,445</u>
Total Subject to Expenditure for Specified Purpose	13,968,857

Subject to occurrence of specified events/passage of time:

Passage of time	<u>2,811,493</u>
Total Net Assets With Donor Restrictions	<u>\$ 16,780,350</u>

#### 9. Risks and Contingencies

##### **Concentration of Credit**

Share Our Strength maintains its cash and cash equivalents with certain commercial financial institutions, which aggregate balances may exceed, at times, the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000 per depositor per institution. As of June 30, 2023, the balance exceeded the FDIC maximum insured limit by approximately \$7,133,000. Share Our Strength monitors the creditworthiness of these institutions and has not experienced any historical credit losses on its cash and cash equivalents.

##### **Compliance Audit**

Share Our Strength has received federal grants that are subject to review, audit and adjustment by various federal agencies for qualified expenses charged to the grants. Such audits could lead to requests for reimbursement to the federal agencies for any expenditures or claims disallowed under the terms of the agreements. The amount of expenditures which may be disallowed by the federal agencies cannot be determined at this time although Share Our Strength expects such amounts, if any, to be insignificant.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

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#### 10. Availability and Liquidity

Share Our Strength regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. Share Our Strength's financial assets available within one year of the consolidated statement of financial position date for general expenditures at June 30, 2023 were as follows:

Cash and cash equivalents	\$ 12,102,179
Accounts receivable, net	985,117
Grants and contributions receivable, net	10,997,293
Investments	<u>60,642,619</u>
Total Financial Assets Available	84,727,208
Less:	
Amounts unavailable for general expenditures within one year due to donor's purpose restriction	(13,968,857)
Amounts unavailable for general expenditures within one year due to donor's time restriction	(525,000)
Amounts unavailable to management without Board approval: Board-designated funds	<u>(15,646,285)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 54,587,066</u>

Share Our Strength has various sources of liquidity at its disposal, including cash and cash equivalents and investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of Share Our Strength throughout the year. This is done through monitoring and reviewing Share Our Strength's cash flow needs on a weekly basis. As a result, management is aware of the cyclical nature of Share Our Strength's cash flow related to Share Our Strength's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs, including principal payments for the notes payable. As part of its liquidity plan, excess cash is invested in publicly traded investment vehicles, including mutual funds and treasury notes, or is used to support organizational initiatives. Share Our Strength can liquidate its investments anytime, and therefore the investments are available to meet current cash flow needs. To help manage unanticipated liquidity needs, Share Our Strength has a committed line of credit of \$5,000,000, of which the entire line was unused and available to draw upon as of June 30, 2023. Share Our Strength's line of credit is secured by Share Our Strength's personal property. Additionally, Share Our Strength has Board-designated net assets that could be available for current operations with Board approval, if necessary.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

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#### 11. Donated Support

During the year ended June 30, 2023, Share Our Strength recognized support from in-kind goods and services as follows:

No Kid Hungry – PSAs and advertising	\$ 19,653,924
Legal and professional services	<u>5,000</u>
Total In-Kind Contributions	<u>\$ 19,658,924</u>

Televised and digital PSAs have been donated to Share Our Strength, primarily from First Degree, Connect360 MultiMedia and Clear Channel, to educate the general public about childhood hunger and to encourage the public to participate in Share Our Strength's No Kid Hungry program. PSAs are valued based on the number of times the announcements are played and the period in which the announcements are aired at the network's equivalent rate charged to paying customers. The associated PSA expense is recorded in either program service or fundraising expenses in the accompanying consolidated statement of activities, based on the purpose and content of the PSA.

Print, radio, web and television advertising have been donated primarily to publicize Share Our Strength's No Kid Hungry program, and campaign events. The donated advertising is valued based on advertising rates in a similar manner as the PSAs and is recorded as either program services or fundraising expense in the accompanying consolidated statement of activities, based on the purpose and content of the advertising.

Donated legal and professional services are included in management and general expenses in the accompanying consolidated statement of activities.

#### 12. Pension Plan

Share Our Strength sponsors a defined contribution pension plan covering substantially all full-time employees. Employees may elect to defer and contribute to the plan a portion of their compensation in amounts up to the maximum permitted by law. After one year of service, Share Our Strength matches elective deferrals up to 8% of compensation. Total pension expense for the year ended June 30, 2023, was \$1,316,089.

#### 13. Income Taxes

Share Our Strength is exempt from the payment of taxes under Section 501(c)(3) of the Internal Revenue Code on income other than net unrelated business income.

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

#### 13. Income Taxes (continued)

CWP is subject to federal and state income taxes and files separate federal and applicable state income tax returns. The provision for income tax expense resulting from net operating income consisted of the following for the year ended June 30, 2023:

Current income tax provision:	
Federal	\$ -
State	<u>3,466</u>
Total Current Income Tax Provision	3,466
Deferred Income Tax Benefit	<u>120,957</u>
Income Tax Benefit, Net	<u>\$ 124,423</u>

Under the asset and liability method of accounting for income taxes, deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, operating loss and tax credit carry forwards. The net deferred tax asset consisted of the following as of June 30, 2023:

Deferred tax assets:	
Cumulative net operating losses	\$ 182,790
Lease obligation	96,207
Deferred tax liabilities:	
Accelerated depreciation	<u>(114,125)</u>
Deferred Tax Asset, Net	<u>\$ 164,872</u>

CWP's cumulative net operating losses totaled approximately \$870,000 as of June 30, 2023 and expire in fiscal years 2031 through 2039.

Share Our Strength performed an evaluation of uncertainty in tax positions for the year ended June 30, 2023, and determined that there are no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. There are currently no examinations pending or in progress, regarding Share Our Strength's tax returns.

#### 14. Allocation of Joint Costs

In applying the accounting standards related to joint costs of informational materials and activities that include a fundraising appeal, Share Our Strength identified activities as program, management and general, and fundraising in the following categories:

- a. Education and awareness about hunger and food insecurity
- b. Volunteer recruitment, mobilization and management

## SHARE OUR STRENGTH AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended June 30, 2023

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#### 14. Allocation of Joint Costs (continued)

Taste of the Nation, No Kid Hungry Dinners, and Chefs Cycle mail and email communications are platforms or vehicles used to accomplish one or more of the programs defined above. As such, the activities performed for each platform may be program-specific, fundraising, management and general, or joint (i.e., a combination of fundraising, program, and management and general).

The costs of providing programs and other activities have been summarized on a functional basis in the accompanying consolidated statement of functional expenses. Accordingly, joint costs of \$11,850,234 relating to Taste of the Nation, No Kid Hungry Dinners, and Chefs Cycle mail and email communications for the year ended June 30, 2023, that included a fundraising appeal have been allocated among the programs and supporting services benefited. Of these costs, \$5,768,865 was allocated to program services, \$57,193 was allocated to management and general, and \$6,024,176 was allocated to fundraising.

#### 15. Prior Year Summarized Financial Information

The accompanying consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Share Our Strength's consolidated financial statements for the year ended June 30, 2022, from which the summarized information was derived.

#### 16. Subsequent Events

In preparing these consolidated financial statements, Share Our Strength has evaluated events and transactions for potential recognition or disclosure as of December 5, 2023, the date the consolidated financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the consolidated financial statements.



**SUPPLEMENTARY INFORMATION**

**SHARE OUR STRENGTH AND SUBSIDIARY**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
**June 30, 2023**

	Share Our Strength	Community Wealth Partners, Inc.	Eliminations	Consolidated
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,434,720	\$ 4,667,459	\$ -	\$ 12,102,179
Accounts receivable, net	411,504	600,696	(27,083)	985,117
Grants and contributions receivable, net	10,997,293	-	-	10,997,293
Prepaid expenses and other assets	9,701,038	50,502	(7,717,446)	2,034,094
Investments	55,562,080	5,080,539	-	60,642,619
Investment in CWP	1,007,557	-	(1,007,557)	-
Deferred tax asset	-	164,872	-	164,872
Property and equipment, net	630,177	41,901	-	672,078
Right of use asset - operating	3,916,734	-	-	3,916,734
<b>TOTAL ASSETS</b>	<b>\$ 89,661,103</b>	<b>\$ 10,605,969</b>	<b>\$ (8,752,086)</b>	<b>\$ 91,514,986</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 4,006,353	\$ 676,826	\$ (27,083)	\$ 4,656,096
Accrued salaries and employee benefits	2,323,307	-	-	2,323,307
Grants payable	7,599,649	-	-	7,599,649
Deferred revenue	-	8,382,448	(7,717,446)	665,002
Grant advance	20,645	-	-	20,645
Lease liability - operating	5,261,536	-	-	5,261,536
Lease liability - financing	-	8,732	-	8,732
Lease termination obligation	-	530,406	-	530,406
<b>TOTAL LIABILITIES</b>	<b>19,211,490</b>	<b>9,598,412</b>	<b>(7,744,529)</b>	<b>21,065,373</b>
<b>Net Assets</b>				
<b>Without donor restrictions</b>				
Undesignated	38,022,978	-	-	38,022,978
Board-designated	15,646,285	-	-	15,646,285
<b>Total without donor restrictions</b>	<b>53,669,263</b>	<b>-</b>	<b>-</b>	<b>53,669,263</b>
<b>With donor restrictions</b>	<b>16,780,350</b>	<b>-</b>	<b>-</b>	<b>16,780,350</b>
<b>TOTAL NET ASSETS</b>	<b>70,449,613</b>	<b>-</b>	<b>-</b>	<b>70,449,613</b>
<b>Stockholder's Equity (Deficit)</b>				
Common stock; \$0.01 par value; 10,000 shares authorized; 100 shares issued and outstanding	-	1	(1)	-
Additional paid-in-capital	-	1,671,343	(1,671,343)	-
Retained deficit	-	(663,787)	663,787	-
<b>TOTAL STOCKHOLDER'S EQUITY (DEFICIT)</b>	<b>-</b>	<b>1,007,557</b>	<b>(1,007,557)</b>	<b>-</b>
<b>TOTAL NET ASSETS</b>	<b>70,449,613</b>	<b>1,007,557</b>	<b>(1,007,557)</b>	<b>70,449,613</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 89,661,103</b>	<b>\$ 10,605,969</b>	<b>\$ (8,752,086)</b>	<b>\$ 91,514,986</b>

See independent auditors' report.

**SHARE OUR STRENGTH AND SUBSIDIARY  
CONSOLIDATING SCHEDULE OF ACTIVITIES  
For the Year Ended June 30, 2023**

	Share Our Strength			Community Wealth Partners, Inc.		Consolidated
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Eliminations	
<b>REVENUE AND SUPPORT</b>						
In-kind contributions:						
Public service announcements (PSAs) and advertising	\$ 19,653,924	\$ -	\$ 19,653,924	\$ -	\$ -	\$ 19,653,924
Other goods and services	5,000	-	5,000	-	-	5,000
Individual contributions	33,072,584	212,191	33,284,775	-	-	33,284,775
Foundation grants and contributions	9,831,502	16,741,419	26,572,921	-	-	26,572,921
Corporate sponsorships, contributions and partners	17,763,755	3,296,006	21,059,761	-	-	21,059,761
Government grants	-	1,782,905	1,782,905	-	-	1,782,905
Consulting revenue	-	-	-	5,654,142	(1,922,182)	3,731,960
Event ticket and auction revenue	873,284	-	873,284	-	-	873,284
Other revenue	59,037	-	59,037	3,385	(49,068)	13,354
Investment income, net	158,489	-	158,489	82,506	-	240,995
Net assets released from restrictions:						
Satisfaction of purpose restrictions	15,218,294	(15,218,294)	-	-	-	-
Satisfaction of time restrictions	14,911,794	(14,911,794)	-	-	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>111,547,663</b>	<b>(8,097,567)</b>	<b>103,450,096</b>	<b>5,740,033</b>	<b>(1,971,250)</b>	<b>107,218,879</b>
<b>EXPENSES</b>						
Program Services:						
Anti-hunger, Anti-poverty initiatives, including in-kind PSAs and advertising of \$10,019,904	83,111,456	-	83,111,456	-	(1,922,182)	81,189,274
Community Wealth Partners, Inc.	-	-	-	5,339,540	(49,068)	5,290,472
<b>Total Program Services</b>	<b>83,111,456</b>	<b>-</b>	<b>83,111,456</b>	<b>5,339,540</b>	<b>(1,971,250)</b>	<b>86,479,746</b>
Supporting Services:						
Management and general	8,644,549	-	8,644,549	-	-	8,644,549
Fundraising:			-			
including in-kind PSAs and advertising of \$9,639,020	38,502,026	-	38,502,026	-	-	38,502,026
Direct donor benefits	459,911	-	459,911	-	-	459,911
<b>Total Supporting Services</b>	<b>47,606,486</b>	<b>-</b>	<b>47,606,486</b>	<b>-</b>	<b>-</b>	<b>47,606,486</b>
<b>TOTAL EXPENSES</b>	<b>130,717,942</b>	<b>-</b>	<b>130,717,942</b>	<b>5,339,540</b>	<b>(1,971,250)</b>	<b>134,086,232</b>
Change in net assets from operations before other items	(19,170,279)	(8,097,567)	(27,267,846)	400,493	-	(26,867,353)
<b>OTHER ITEMS</b>						
Equity in net income of subsidiary	400,493	-	400,493	-	(400,493)	-
<b>CHANGE IN NET ASSETS</b>	<b>(18,769,786)</b>	<b>(8,097,567)</b>	<b>(26,867,353)</b>	<b>400,493</b>	<b>(400,493)</b>	<b>(26,867,353)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>72,439,049</b>	<b>24,877,917</b>	<b>97,316,966</b>	<b>607,064</b>	<b>(607,064)</b>	<b>97,316,966</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 53,669,263</b>	<b>\$ 16,780,350</b>	<b>\$ 70,449,613</b>	<b>\$ 1,007,557</b>	<b>\$ (1,007,557)</b>	<b>\$ 70,449,613</b>

See independent auditors' report.