

West Side Campaign Against Hunger
(A Program of West Side Center for
Community Life, Inc.)

Financial Statements

June 30, 2022 and 2021

Independent Auditors' Report

Board of Directors
West Side Center for Community Life, Inc.

Opinion

We have audited the accompanying financial statements of West Side Campaign Against Hunger (“WSCAH”), a Program of West Side Center for Community Life, Inc., which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WSCAH as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

PKF O'Connor Davies, LLP

December 22, 2022

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Statements of Financial Position

	June 30	
	2022	2021
ASSETS		
Cash and cash equivalents	\$ 8,764,512	\$ 7,870,304
Restricted cash - lease deposit	320,021	-
Pledge receivable	718,167	-
Grants receivable	359,926	492,581
Prepaid expenses and other assets	61,588	58,967
Property and equipment, net	223,631	244,154
	\$ 10,447,845	\$ 8,666,006
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,066,207	\$ 652,739
Deferred lease liability	131,014	-
Paycheck Protection Program loan payable	-	378,587
Total Liabilities	1,197,221	1,031,326
 Net Assets		
Without Donor Restrictions		
Board designated	1,215,000	1,250,000
Undesignated	4,916,722	3,869,233
	6,131,722	5,119,233
With donor restrictions	3,118,902	2,515,447
Total Net Assets	9,250,624	7,634,680
	\$ 10,447,845	\$ 8,666,006

See notes to financial statements

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Statements of Activities

	Year Ended June 30, 2022			Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Foundation grants	\$ 2,715,836	\$ 1,868,167	\$ 4,584,003	\$ 1,655,729	\$ 2,491,950	\$ 4,147,679
Individual contributions	1,696,948	-	1,696,948	2,672,688	-	2,672,688
Government grants	1,130,228	-	1,130,228	590,438	-	590,438
Mobile food distribution	1,594,593	-	1,594,593	1,610,822	-	1,610,822
Grants from religious and other institutions	150,861	-	150,861	146,148	-	146,148
Legislative grants	688,446	-	688,446	947,670	-	947,670
Corporation grants	147,114	-	147,114	289,399	-	289,399
Donated food	2,181,276	-	2,181,276	3,627,702	-	3,627,702
Donated space	105,371	-	105,371	105,371	-	105,371
Donated professional services	358,900	-	358,900	174,397	-	174,397
Special events, net of costs with direct benefits to donors of \$50,665	-	-	-	375,575	-	375,575
Interest income	4,491	-	4,491	10,021	-	10,021
Other	1,250	-	1,250	4,550	-	4,550
	<u>10,775,314</u>	<u>1,868,167</u>	<u>12,643,481</u>	<u>12,210,510</u>	<u>2,491,950</u>	<u>14,702,460</u>
Net assets released from restrictions	<u>1,264,712</u>	<u>(1,264,712)</u>	<u>-</u>	<u>488,251</u>	<u>(488,251)</u>	<u>-</u>
Total Support and Revenue	<u>12,040,026</u>	<u>603,455</u>	<u>12,643,481</u>	<u>12,698,761</u>	<u>2,003,699</u>	<u>14,702,460</u>
EXPENSES						
Programs	9,549,987	-	9,549,987	9,264,714	-	9,264,714
General and administrative	658,630	-	658,630	495,276	-	495,276
Fundraising	818,920	-	818,920	736,075	-	736,075
Total Expenses	<u>11,027,537</u>	<u>-</u>	<u>11,027,537</u>	<u>10,496,065</u>	<u>-</u>	<u>10,496,065</u>
Change in Net Assets	1,012,489	603,455	1,615,944	2,202,696	2,003,699	4,206,395
NET ASSETS						
Beginning of year	<u>5,119,233</u>	<u>2,515,447</u>	<u>7,634,680</u>	<u>2,916,537</u>	<u>511,748</u>	<u>3,428,285</u>
End of year	<u>\$ 6,131,722</u>	<u>\$ 3,118,902</u>	<u>\$ 9,250,624</u>	<u>\$ 5,119,233</u>	<u>\$ 2,515,447</u>	<u>\$ 7,634,680</u>

See notes to financial statements

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Statement of Functional Expenses
Year Ended June 30, 2022

	Programs			General and Administrative	Fundraising	Total
	Food Access	Social Service	Total Programs			
Salaries	\$ 1,032,227	\$ 385,331	\$ 1,417,558	\$ 167,152	\$ 335,362	\$ 1,920,072
Payroll taxes and benefits	378,718	141,376	520,094	61,328	123,043	704,465
Food	3,648,946	-	3,648,946	-	-	3,648,946
Donated food	2,181,278	-	2,181,278	-	-	2,181,278
Space and infrastructure	239,908	126,480	366,388	14,053	87,443	467,884
Donated space	87,326	10,011	97,337	1,112	6,921	105,370
Professional and technology services	528,815	34,459	563,274	188,588	181,152	933,014
Donated professional fees	170,141	39,990	210,131	148,769	-	358,900
Program operations and equipment	428,002	-	428,002	-	-	428,002
Miscellaneous	13,526	8,872	22,398	72,558	84,999	179,955
Depreciation and amortization	86,904	7,677	94,581	5,070	-	99,651
	<u>8,795,791</u>	<u>754,196</u>	<u>9,549,987</u>	<u>658,630</u>	<u>818,920</u>	<u>11,027,537</u>
Less costs with direct benefits to donors	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 8,795,791</u>	<u>\$ 754,196</u>	<u>\$ 9,549,987</u>	<u>\$ 658,630</u>	<u>\$ 818,920</u>	<u>\$ 11,027,537</u>

See notes to financial statements

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Statement of Functional Expenses
Year Ended June 30, 2021

	Programs			General and Administrative	Fundraising	Total
	Food Access	Social Service	Total Programs			
Salaries	\$ 1,000,758	\$ 450,078	\$ 1,450,836	\$ 113,654	\$ 374,061	\$ 1,938,551
Payroll taxes and benefits	399,554	192,028	591,582	34,216	111,489	737,287
Special events	-	-	-	-	50,665	50,665
Food	2,436,307	-	2,436,307	-	-	2,436,307
Donated food	3,627,702	-	3,627,702	-	-	3,627,702
Space and infrastructure	236,509	44,846	281,355	6,899	27,981	316,235
Donated space	105,371	-	105,371	-	-	105,371
Professional and technology services	245,466	40,019	285,485	89,337	163,742	538,564
Donated professional fees	-	-	-	174,397	-	174,397
Program operations and equipment	375,694	2,935	378,629	-	-	378,629
Miscellaneous	11,821	5,085	16,906	48,154	58,802	123,862
Depreciation and amortization	71,442	19,099	90,541	28,619	-	119,160
	<u>8,510,624</u>	<u>754,090</u>	<u>9,264,714</u>	<u>495,276</u>	<u>786,740</u>	<u>10,546,730</u>
Less costs with direct benefits to donors	-	-	-	-	(50,665)	(50,665)
Total Expenses	<u>\$ 8,510,624</u>	<u>\$ 754,090</u>	<u>\$ 9,264,714</u>	<u>\$ 495,276</u>	<u>\$ 736,075</u>	<u>\$ 10,496,065</u>

See notes to financial statements

West Side Campaign Against Hunger
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Statements of Cash Flows

	Year Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,615,944	\$ 4,206,395
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	99,651	119,160
Paycheck Protection Program Loan Forgiveness	(378,587)	-
Deferred lease liability	131,014	-
Change in operating assets and liabilities		
Pledge receivable	(718,167)	-
Grants receivable	132,655	(203,950)
Prepaid expenses and other assets	(2,621)	(56,404)
Accounts payable and accrued expenses	413,468	288,387
Net Cash from Operating Activities	1,293,357	4,353,588
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(79,128)	(105,806)
 Net Change in Cash, Cash Equivalents and Restricted Cash	1,214,229	4,247,782
 CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning of the year	7,870,304	3,622,522
End of the year	\$ 9,084,533	\$ 7,870,304

The following table reconciles beginning of year and end of year balances of cash, cash equivalents and restricted cash for years shown:

	2022	2021
Cash and cash equivalents	\$ 8,764,512	\$ 7,870,304
Restricted cash - lease deposit	320,021	-
	\$ 9,084,533	\$ 7,870,304

See notes to financial statements

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Notes to Financial Statements
June 30, 2022 and 2021

1. Organization and Tax Status

West Side Campaign Against Hunger (“WSCAH”) is a program of West Side Center for Community Life, Inc. (“WSCCL”). WSCAH is funded by a combination of government and private sources. Funding is also provided by foundations, corporations, religious institutions and individual contributions. WSCCL operates WSCAH in a condominium unit owned by WSCCL, space leased from the St. Paul and St. Andrew United Methodist Church (the “Church”) and space leased from a City Meals owned warehouse in the Bronx.

WSCAH alleviates hunger by ensuring that all New Yorkers have access with dignity to a choice of healthy food and supportive services. WSCAH’s food access program consists of healthy food distribution to over 30 sites through partnerships with community-based organizations throughout Manhattan, The Bronx, Brooklyn, and Queens and at our 86th Street location where the main offices are. WSCAH is also the founder and host of The Roundtable: Allies for Food Access. The Roundtable is a dedicated network of emergency food providers collaborating to bring more resource to communities, so none of our neighbors go hungry.

WSCAH Social Services’ department provides customers with a comprehensive suite of benefits including referrals to shelter, mental health services, financial counseling and tax preparation, educational programs, immigration legal assistance, and signups for health insurance, SNAP, SCRIE, and DRIE.

COVID-19 has dramatically impacted WSCAH’s operations, customers and staff. Yet, WSCAH has ensured continuity of services and remained committed to its mission. In order to comply with public health measures and address the new and emergency needs for services, WSCAH has transformed its entire 86th Street customer-choice basement level pantry to an outside street level pantry and the interior work space has been redesigned into a safe, food packing assembly system. WSCAH’s Social Services Department has been transformed to a virtual call center, ensuring customers can easily access Community Resource Specialists, preventing no laps of benefit access to customers.

WSCCL is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Government Funded Programs Include:

- New York State Hunger Prevention and Nutrition Assistance Program (HPNAP): HPNAP, in partnership with emergency food relief organizations, is dedicated to improving the health and nutrition status of people in need of food assistance in New York State.

West Side Campaign Against Hunger
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Notes to Financial Statements
June 30, 2022 and 2021

1. Organization and Tax Status (continued)

Government Funded Programs Include: (continued)

- New York City Department of Youth and Community Development (DYCD): DYCD administers annual New York City Council Discretionary Funding to community-based emergency food providers for hunger alleviation and anti-poverty initiative
- New York State Department of Agriculture and Markets - Nourish New York: The funding through the Nourish New York initiative allows New York's emergency food providers to purchase surplus products from New York farmers and dairy manufacturers and deliver them to New York families in need.
- New York City Human Resources Administration Emergency Food Assistance Program (EFAP): EFAP aids emergency food relief organizations by providing food and administrative funds to not for profit food pantries and soup kitchens certified by New York City.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require 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. Accordingly, actual results could differ from those estimates.

Net Asset Presentation

The accompanying financial statements report amounts separately by class of net assets based on the presence or absence of donor restrictions. Fiscal year end balances for each of the two classes of net assets, without donor restrictions and with donor restrictions, are displayed in the statements of financial position and the net change in each of those classes of net assets is displayed in the statements of activities.

The classes of net assets are defined as follows:

Without donor restrictions - Net assets that are not subject to donor-imposed restrictions as to use or purpose and are those currently available for use at the discretion of WSCAH in its programs and operations. These net assets may be used at the discretion of WSCAH's management and Board of Directors (the "Board"). At June 30, 2022 and 2021, the Board has designated \$1,215,000 and \$1,250,000 of net assets without donor restrictions to be utilized for future real estate, finance and development transformation projects.

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Notes to Financial Statements
June 30, 2022 and 2021

2. Summary of Significant Accounting Policies (continued)

Net Asset Presentation (continued)

With donor restrictions – Net assets that represent amounts restricted by donors for specific activities of WSCAH or to be used at some future date. WSCAH records contributions as with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions. When a donor restriction expires, that is, when a stipulated purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Net assets with donor restrictions that are perpetual in nature are subject to donor-imposed restrictions requiring that they be maintained permanently by WSCAH. At June 30, 2022 and 2021, there were no net assets with donor restrictions that were perpetual in nature.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with maturities of three months or less when purchased and consist principally of funds maintained in checking and time deposit accounts.

Restricted Cash

WSCAH accounts for restricted cash in accordance with ASC 2016-18 “Statement of Cash Flows (ASC 230): Restricted Cash,” which requires inclusion of restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning of year and end of year total amounts shown on the statements of cash flows. WSCAH’s restricted cash includes funds on deposit in connection with WSCAH’S lease agreement (see note 9).

Contributions

Contributions received, including unconditional promises to give, are recognized as income in the period received at their net realizable value. Contributions are recorded as restricted income if they are received with donor stipulations that limit the use of the donated assets.

Pledges receivable or unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk adjusted interest rates applicable to the years in which the promises are expected to be received. Amortization of the discounts is included in contribution revenue.

Government Grants

Federal, state and other grant awards received for specific purposes are recognized as support and revenue to the extent related expenses are incurred in compliance with the specific grant terms. Any unexpended funds are considered refundable advances and are reported as advances payable.

West Side Campaign Against Hunger
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Notes to Financial Statements
June 30, 2022 and 2021

2. Summary of Significant Accounting Policies (continued)

Mobile Food Distribution

WSCAH's mobile food distribution revenue is primarily sourced from an agreement with New York Presbyterian Hospital (NYPH) for WSCAH to provide and deliver food boxes to funded community partners and select NYPH clinic sites at an agreed upon price per box. WSCAH's primary performance obligation as stated in agreements with NYPH and other organizations is the ultimate delivery of the food boxes to the designated sites. WSCAH recognizes revenue from its mobile food distribution arrangement through the point in time when the food boxes are delivered.

Property and Equipment

Property and equipment are stated at cost. Costs incurred for repairs and maintenance are charged to expense as incurred. Purchases above \$1,000 that WSCAH retains title to and which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation and amortization is recognized on a straight-line basis over the useful lives of such assets as follows:

Furniture and equipment	3 -10 years
Truck	10 years
Leasehold improvements	Life of lease or useful life if shorter

In-kind Contributions

In-kind contributions for donated goods and services are recorded at fair value at date of donation on what the cost would have been if WSCAH purchased them. In-kind contributions for donated food, professional services and space (rent) have been reflected as revenue and expenses in the statement of activities.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Direct program costs such as donated food and program operations and equipment are allocated directly to the programs. Direct professional fees that are strictly administrative in nature are allocated directly to general and administrative expenses. All other costs that are not charged directly to a program are allocated by percentage of overall salary allocation.

Advertising Costs

Advertising costs are recognized on an accrual basis and are expensed as incurred.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is established for uncollectible amounts. The determination of an allowance is an estimate based on WSCAH's historical experience, review of account balances and expectations relative to collections. All receivables are deemed to be fully collectible by management and therefore, no allowance has been provided for potential uncollectibility.

West Side Campaign Against Hunger
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Notes to Financial Statements
June 30, 2022 and 2021

2. Summary of Significant Accounting Policies (continued)

Accounting for Uncertainty in Income Taxes

WSCCL recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that WSCCL had no uncertain tax positions that would require financial statement recognition or disclosure. WSCCL is no longer subject to examinations by the applicable taxing jurisdictions for tax years prior to fiscal 2019.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 22, 2022.

3. Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 8,764,512	\$ 7,870,304
Pledge receivable - current portion	250,000	-
Grants receivable	<u>359,926</u>	<u>492,581</u>
Total Financial Assets	9,374,438	8,362,885
Less amounts unavailable for general expenditures within one year:		
Board designated net assets	(1,215,000)	(1,250,000)
Donor restricted net assets	(3,118,902)	(2,515,447)
Add donor restricted net assets to be released within one year	<u>3,118,902</u>	<u>1,264,712</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 8,159,438</u>	<u>\$ 5,862,150</u>

WSCAH structures its financial assets, consisting of cash, pledge receivable and grants receivable, to be available as its general expenditures and liabilities come due within one year. In addition, WSCAH generates cash flows from contributions made by donors through its fundraising efforts.

WSCAH also has available an \$85,000 line-of-credit in the event funds are needed for operations.

West Side Campaign Against Hunger
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Notes to Financial Statements
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4. Grants Receivable

Grants receivable are deemed to be fully collectible by management and consist of the following at June 30:

	2022	2021
New York Presbyterian Hospital	\$ 30,123	\$ 60,000
Montefiore Hospital	-	47,600
Department of Youth and Community Development	95,500	118,020
Nutrition Outreach and Education Program	63,729	48,763
New York Hunger Prevention and Nutrition Assistance Program	17,120	38,075
Nourish	-	95,147
Food Support Connections	71,098	47,730
Food Bank	-	11,051
Others	82,356	26,195
	\$ 359,926	\$ 492,581

5. Pledge Receivable

The pledge receivable balance at June 30, 2022, which amounted to \$718,167, is due from one donor and is expected to be collected over the three years (amounts to be collected during fiscal years 2024 and 2025 are discounted to present value). This amount is deemed to be fully collectible by management and thus, no allowance has been provided for potential uncollectability.

The following is a summary of the pledge receivable by due date net of discounts for the year ending June 30:

2023	\$ 250,000
2024	250,000
2025	250,000
	750,000
Less discount for net present values	(31,833)
	\$ 718,167

The discount rate applied to the pledge receivable in excess of one year was 4.5%.

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Notes to Financial Statements
June 30, 2022 and 2021

6. Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 349,140	\$ 329,237
Truck - Mobile Food Pantry	218,045	218,045
Leasehold improvements	<u>460,678</u>	<u>401,453</u>
	1,027,863	948,735
Accumulated depreciation and amortization	<u>(804,232)</u>	<u>(704,581)</u>
	<u>\$ 223,631</u>	<u>\$ 244,154</u>

7. Net Assets With Donor Restrictions

Net assets with donor restrictions of \$3,118,902 and \$2,515,447 are available for food and staff services at June 30, 2022 and 2021. Net assets of \$1,264,712 and \$488,251 were released from donor restrictions by incurring expenses satisfying the food and staff services restricted purposes during the years ended June 30, 2022 and 2021.

8. Concentration of Credit Risk

WSCAH maintains cash in bank accounts which at times may exceed federally insured limits. This potentially subjects WSCAH to a concentration of credit risk. WSCAH has not experienced any losses in such accounts and as a result believes it is not exposed to any significant financial risk. Cash and cash equivalents and restricted cash in excess of Federally insured limits at June 30, 2022 and 2021 totaled \$8,584,196 and \$6,838,104.

Reimbursement for the services provided by WSCAH is received through various governmental agencies. WSCAH is economically dependent on these funds to continue operations. WSCAH deems all receivables due from governmental agencies as of June 30, 2022 to be fully collectible.

9. Rent Expense and Commitments

WSCAH occupies part of its premises pursuant to an operating lease agreement between WSCCL and the Church which, expired December 31, 2021. During fiscal 2022, WSCAH and the Church entered into a new lease agreement, which expires December 31, 2026.

During March 2022, WSCAH entered into a new lease agreement for additional space located at 549 West 180th Street, New York, NY, which expires July 31, 2043. In accordance with the terms of the lease agreement, WSCAH was granted a fifteen-month rent abatement which ends July 30, 2023, during which time WSCAH will perform renovations to the space prior to occupancy. WSCAH utilizes the straight-line method to recognize the annual rent expense for this lease. At June 30, 2022, the balance of deferred rent expense totaled \$131,014 and is reported as a deferred lease liability in the accompanying statements of financial position. Further, WSCAH was required to make a deposit to the landlord of \$320,000 in the form of an irrevocable letter of credit as security for faithful performance by WSCAH to adhere to the terms of the lease agreement. This deposit has been reported as restricted cash in the accompanying statements of financial position.

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Notes to Financial Statements
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9. Rent Expense and Commitments (continued)

Annual minimum rental payments for the aforementioned lease agreements are payable as follows for the years ending June 30:

	549 West 180th Street	The Church	Total
2023	\$ -	\$ 189,845	\$ 189,845
2024	600,576	195,536	796,112
2025	668,076	201,396	869,472
2026	681,437	207,434	888,871
2027	695,066	123,091	818,157
Thereafter	14,059,083	-	14,059,083
	<u>\$ 16,704,238</u>	<u>\$ 917,302</u>	<u>\$ 17,621,540</u>

Rental expense, excluding donated space, for the years ended June 30, 2022 and 2021, was \$358,599 and \$221,874.

10. In-Kind Contributions

In-kind contributions for the fiscal years 2022 and 2021 consisted of the following:

	2022	2021
Food	\$ 2,181,276	\$ 3,627,702
Legal services	358,900	174,397
Space	105,371	105,371
	<u>\$ 2,645,547</u>	<u>\$ 3,907,470</u>

WSCAH recognized contributed nonfinancial assets within, including food and legal services. Unless otherwise noted, all contributed nonfinancial assets did not have donor imposed restrictions.

Donated food was used in WSCAH's Food Access programs. In valuing donated food, WSCAH estimated the fair value on the basis of estimates of values that would be received for selling similar food products in the United States.

Contributed legal services recognized comprise of legal services from attorneys advising WSCAH on various administrative legal matters. Contributed legal services are reported in the financial statements at the estimated value of similar legal services based on current rates.

Donated space consists of space located in the City Meals owned warehouse in the Bronx and certain space located in the Church. These spaces serve WSCAH's Food Access programs. Donated space is valued based on the estimated fair value of rent that WSCAH would have been billed if it was party to lease agreements.

West Side Campaign Against Hunger
(A Program of West Side Center for Community Life, Inc.)

Notes to Financial Statements
June 30, 2022 and 2021

11. Line-of-Credit

On October 11, 2018, WSCAH entered into an \$85,000 line-of-credit agreement with TD Bank (the "Bank"). The line-of-credit agreement shall continue in full effect until such time both WSCAH and the Bank mutually agree to terminate the agreement. Any amounts drawn down on the line-of-credit will be payable upon demand to the Bank and will require monthly payments of interest based on the Prime Rate as shown in The Wall Street Journal. At June 30, 2022 and 2021, WSCAH has not made any drawings against this facility.

12. Paycheck Protection Program Loan

On April 20, 2020, WSCAH received loan proceeds in the amount of \$378,587 under the Paycheck Protection Program ("PPP Loan"). The PPP Loan, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses in 2019 of the qualifying business. The loan and accrued interest is forgivable after eight or twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. On July 22, 2021, full forgiveness of WSCAH's PPP Loan was approved by the Small Business Administration. The revenue from the forgiveness of the PPP is included in government grants in the accompanying statement of activities.

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