

**Food and Environment
Reporting Network, Inc.**

Financial Statements
For the Six Months Ended
June 30, 2019

Independent Auditors' Report

To the Board of Directors of Food and Environment Reporting Network, Inc.

We have audited the accompanying financial statements of Food and Environment Reporting Network, Inc. (a New York Corporation), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the six months then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Food and Environment Reporting Network, Inc. (a New York Corporation) as of June 30, 2019, and the changes in its net assets and its cash flows for the six months then ended in accordance with accounting principles generally accepted in the United States of America.

PKF O'Connor Davies, LLP

October 22, 2019

Food and Environment Reporting Network, Inc.

Statement of Financial Position
June 30, 2019

ASSETS

Cash	\$ 171,622
Unconditional promises to give	4,500
Accounts receivable	<u>4,831</u>
 Total Assets	 <u>\$ 180,953</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 17,286
Accrued expenses	39,869
Deferred revenue	<u>13,199</u>
 Total Liabilities	 <u>70,354</u>
 Net Assets	
Without donor restrictions	2,495
With donor restrictions	<u>108,104</u>
 Total Net Assets	 <u>110,599</u>
 Total Liabilities and Net Assets	 <u>\$ 180,953</u>

See notes to financial statements

Food and Environment Reporting Network, Inc.

Statement of Activities and Changes in Net Assets
For the Six Months Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Contributions	\$ 505,825	\$ 43,722	\$ 549,547
Net assets released from restrictions	111,963	(111,963)	-
Editorial revenue	41,337	-	41,337
Special events, gross	12,790	-	12,790
Subscriptions revenue	15,627	-	15,627
Other revenue	1,988	-	1,988
Total Revenues and Other Support	<u>689,530</u>	<u>(68,241)</u>	<u>621,289</u>
EXPENSES			
Program services	<u>359,912</u>	-	<u>359,912</u>
Supporting Services			
Management and general	134,477	-	134,477
Fundraising	<u>24,639</u>	-	<u>24,639</u>
Total Supporting Services	<u>159,116</u>	-	<u>159,116</u>
Total Expenses	<u>519,028</u>	-	<u>519,028</u>
Changes in Net Assets (Deficit)	170,502	(68,241)	102,261
Net assets (deficit), beginning of period	<u>(168,007)</u>	<u>176,345</u>	<u>8,338</u>
Net assets, end of period	<u>\$ 2,495</u>	<u>\$ 108,104</u>	<u>\$ 110,599</u>

See notes to financial statements

Food and Environment Reporting Network, Inc.

Statement of Functional Expenses For the Six Months Ended June 30, 2019

	Program Services	Management and General	Fundraising	Total
Payroll and related	\$ 197,449	\$ 56,667	\$ 16,720	\$ 270,836
Consultant Fees				
Special projects	64,671	-	-	64,671
Writers	36,110	-	-	36,110
Editors	16,655	-	-	16,655
Communications	11,295	1,500	-	12,795
Design/development	7,513	15,679	3,380	26,572
Photographer	7,800	-	-	7,800
Travel and meetings	15,139	14,875	-	30,014
Special events	-	-	1,787	1,787
Administrative and general	3,280	14,622	2,752	20,654
Professional fees	-	20,575	-	20,575
Insurance	-	10,559	-	10,559
	<u>\$ 359,912</u>	<u>\$ 134,477</u>	<u>\$ 24,639</u>	<u>\$ 519,028</u>

See notes to financial statements

Food and Environment Reporting Network, Inc.

Statement of Cash Flows
For the Six Months Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in Net Assets	\$ 102,261
Adjustments to reconcile changes in net assets to net cash from operating activities	
Changes in Assets and Liabilities	
Decrease in unconditional promises to give	48,000
Decrease in accounts receivable	3,870
(Decrease) in accounts payable	(16,781)
Increase in accrued expenses	3,525
(Decrease) in deferred revenue	<u>(4,599)</u>
Net Cash from Operating Activities	136,276

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of line of credit borrowing	<u>(45,000)</u>
Increase in Cash	91,276
Cash, beginning of period	<u>80,346</u>
Cash, end of period	<u>\$ 171,622</u>

See notes to financial statements