

**HARVEST HOME FARMER'S MARKET, INC.**  
**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**  
**DECEMBER 31, 2020 AND 2019**

**ANGELITO A. BALLO, CPA**

HARVEST HOME FARMER'S MARKET, INC.  
DECEMBER 31, 2020 AND 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Review Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5-6
Statements of Cash Flows	7
Notes to Financial Statements	8-15
Supplementary Information	
Schedule of Expenses of Government Awards	16

**Angelito A. Ballo, CPA**  
**67 Hudson Street**  
**New York, NY 10013**

**Telephone: (212) 406-1640**  
**Fax: (212) 267-4772**

### **Independent Accountant's Review Report**

To the Board of Directors  
Harvest Home Farmer's Market, Inc.

I have reviewed the accompanying financial statements of Harvest Home Farmer's Market, Inc. ("HHFM") which comprise the statements of financial position as of December 31, 2020 and 2019 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

#### **Management's Responsibility for the Financial Statements**

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

#### **Accountant's Responsibility**

My responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of HHFM and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my reviews.

**Other Matter**

The accompanying schedule of expenses of government awards is presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The supplementary information has been subjected to the review procedures applied in my review of the basic financial statements. I am not aware of any material modifications that should be made to the supplementary information. I have not audited the supplementary information and do not express an opinion on such information.

**Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

  
Angelito A. Ballo, CPA

New York, NY  
April 29, 2021

HARVEST HOME FARMER'S MARKET, INC.  
STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 74,273	\$ 53,075
Accounts receivable	10,865	7,320
Grants and contributions receivable (Note 4)	135,638	65,918
Total current assets	220,776	126,313
Non-current assets		
Equipment (net of accumulated dep.) (Note 5)	663	2,381
Total non-current assets	663	2,381
Other assets		
Security deposit	6,690	6,690
Total other assets	6,690	6,690
Total Assets	\$ 228,129	\$ 135,384
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 7,788	\$ 13,651
Line of credit (Note 6)	50,000	50,000
Accrued farmer's token redemption (Note 7)	89,326	34,390
Loan payable (Note 8)	72,494	-
Advance payable (Note 9)	14,584	37,500
Total current liabilities	234,192	135,541
<b>Net Assets</b>		
Without donor restrictions	(6,063)	(157)
With donor restrictions	-	-
Total net assets	(6,063)	(157)
Total Liabilities and Net Assets	\$ 228,129	\$ 135,384

See Notes to financial Statements.

HARVEST HOME FARMER'S MARKET, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	For 2020			For 2019		
	Without Donor Restrictions	With Donor Restrictions	Total 2020	Without Donor Restrictions	With Donor Restrictions	Total 2019
Revenues and other support:						
Government grants & contracts	\$ 541,982	\$	\$ 541,982	\$ 432,077	\$	\$ 432,077
PPP forgiven liability (Note 10)	52,385		52,385	-		-
Non-government grants and contract	8,500		8,500	7,850		7,850
General Contributions	530		530	11,056		11,056
Market rents	60,435		60,435	92,095		92,095
Fund raising			-	13,907		13,907
In-kind (Note 12)	112,663		112,663	20,878		20,878
Pre-packaged meals	41,250		41,250	-		-
Miscellaneous	3,458		3,458	6,680		6,680
Total revenues and other support	821,203	-	821,203	584,543	-	584,543
Net assets released from restrictions:						
Program restrictions satisfied			-	55,000	(55,000)	-
	-	-	-	55,000	(55,000)	-
Total revenues and support	821,203	-	821,203	639,543	(55,000)	584,543
Expenses:						
Program services:						
Farmer's market	150,307		150,307	138,274		138,274
Healthy living/eating	443,303		443,303	312,145		312,145
Total program expenses	593,610	-	593,610	450,419	-	450,419
Supporting activities						
Management and general	233,499		233,499	134,902		134,902
Fund raising	-		-	43,235		43,235
Total expenses	827,109	-	827,109	628,556	-	628,556
Increase (decrease) in net assets	(5,906)	-	(5,906)	10,987	(55,000)	(44,013)
Net assets, beginning	(157)	-	(157)	(11,144)	55,000	43,856
Net assets, ending	\$ (6,063)	\$ -	\$ (6,063)	\$ (157)	\$ -	\$ (157)

See Notes to financial Statements.

HARVEST HOME FARMER'S MARKET, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services			Supporting Services		Total
	Farmer's Market	Healthy Living/ Eating	Total	Management and General	Fund Raising	
Expenses:						
Salaries	\$ 106,196	\$ 124,445	\$ 230,641	\$ 44,918	\$ -	\$ 275,559
Fringe benefits	11,203	13,954	25,157	5,796	-	30,953
Contracted services	7,690	24,739	32,429	22,634	-	55,063
Dues and permits	2,659	-	2,659	1,827	-	4,486
HPNAP farmer vendor reimbursement	-	183,711	183,711	3,112	-	186,823
Health bucks reimbursement	-	2,505	2,505	-	-	2,505
Food distribution	-	18,500	18,500	-	-	18,500
Equipment rental	-	-	-	300	-	300
Insurance	-	-	-	2,044	-	2,044
Occupancy	9,959	16,369	26,328	26,048	-	52,376
Office expense and supplies	2,717	36,843	39,560	5,102	-	44,662
Postage	-	-	-	96	-	96
Printing	543	-	543	-	-	543
Repairs & maintenance	-	-	-	20	-	20
Telephone	430	728	1,158	3,829	-	4,987
Conference & meetings	-	-	-	60	-	60
Travel expenses	7,045	18,308	25,353	437	-	25,790
Website and internet	-	-	-	1,895	-	1,895
Finance charge	-	-	-	3,756	-	3,756
Bank and merchant service charges	1,865	-	1,865	445	-	2,310
Depreciation	-	-	-	1,718	-	1,718
Indirect costs	-	3,201	3,201	(3,201)	-	-
In-kind (Note 12)	-	-	-	112,663	-	112,663
<b>Total</b>	<b>\$ 150,307</b>	<b>\$ 443,303</b>	<b>\$ 593,610</b>	<b>\$ 233,499</b>	<b>\$ -</b>	<b>\$ 827,109</b>

See Notes to financial Statements.

HARVEST HOME FARMER'S MARKET, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services			Supporting Services		Total
	Farmer's Market	Healthy Living/ Eating	Total	Management and General	Fund Raising	
Expenses:						
Salaries	\$ 87,883	\$ 134,593	\$ 222,476	\$ 20,155	\$ 8,814	\$ 251,445
Fringe benefits	11,826	17,748	29,574	1,716	1,162	32,452
Contracted services	14,039	15,823	29,862	32,528	19,971	82,361
Dues and permits	2,220		2,220	50		2,270
HPNAP farmer vendor reimbursement		43,560	43,560			43,560
Health bucks reimbursement		50,000	50,000			50,000
Fund raising venue			-		8,200	8,200
Equipment rental					2,407	2,407
Insurance			-	1,127		1,127
Occupancy	11,180	8,269	19,449	31,323		50,772
Office expense and supplies	1,722	17,502	19,224	2,570	1,156	22,950
Postage	110		110	115		225
Printing		3,927	3,927	1,402	600	5,929
Repairs & maintenance			-	363		363
Telephone	819		819	3,328		4,147
Conference & meetings			-	10,425		10,425
Travel expenses	6,297	14,162	20,459	2,352	525	23,336
Website and internet			-	3,124	397	3,521
Finance charge			-	600		600
Bank and merchant service charges	2,178		2,178	6,839	3	9,020
Depreciation			-	2,568		2,568
In-kind (Note 12)			-	20,878		20,878
Indirect costs		6,561	6,561	(6,561)		-
<b>Total</b>	<b>\$ 138,274</b>	<b>\$ 312,145</b>	<b>\$ 450,419</b>	<b>\$ 134,902</b>	<b>\$ 43,235</b>	<b>\$ 628,556</b>

See Notes to financial Statements.



HARVEST HOME FARMER'S MARKET, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from operation		
Net increase (decrease) in net assets	\$ (5,906)	\$ (44,013)
Adjustments to reconcile net increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	1,718	2,568
Changes in operating assets and liabilities:		
(Increase) Decrease in operating assets:		
Accounts receivable	(3,545)	11,260
Grants and contributions receivable	(69,720)	132,830
Prepaid expenses	-	4,340
Security deposits	-	(6,200)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued expenses	(5,863)	(33,867)
Accrued farmer's token redemption	54,936	10,224
Advance payable	(22,916)	37,500
Deferred income	-	(3,600)
Net cash provided (used) by operating activities	(51,296)	111,042
Cash flows from investing activities		
Equipment purchase/adjustment		(120)
Cash flows from financing activities		
Line of credit - (payment) borrowed - net	-	-
Loan proceeds - net	72,494	(60,000)
Net cash provided from financing activities	72,494	(60,000)
Net increase (decrease) in cash	21,198	50,922
Cash and cash equivalents, beginning	53,075	2,153
Cash and cash equivalents, ending	\$ 74,273	\$ 53,075
Supplemental Disclosure		
Interest paid	\$ 3,372	\$ 600

See Notes to financial Statements.

HARVEST HOME FARMER'S MARKET, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

Note 1. Principal Activity and Significant Accounting Policies

Organization

Harvest Home Farmer's Market, Inc. (HHFM") founded in 1993 is a non-profit organization incorporated pursuant to the Not-for-Profit Corporation Law of the State of New York. Harvest Home Farmer's Market, Inc. is one of New York State's largest operators of farmers markets in high need, low-income communities whose main goal is to increase access to local farm fresh produce, educate the public about health and nutrition and support regional agriculture.

Following are HHFM two major service areas:

Farmers Market - Increase the buying power of low-income NYC residents to purchase fresh produce through consumer payment options using Supplemental Nutrition Assistance Program (SNAP/EBT) dollars, Farmers Market Nutrition Program (FMNP) coupons, Women, Infant & Children (WIC) coupons, and NYC Department of Health and Mental Hygiene (NYCDOHMH) Health Bucks.

Healthy Living/Eating - Conduct cooking demonstrations throughout NYC and distribute samples of plant-based recipes along with valuable nutrition information. Distribute free produce to participants of the cooking demonstrations by purchasing fresh fruits and vegetables directly from participants farmers. Reach out to people with quick, low-cost, seasonally based recipes and nutrition information through the Food Talk newsletter.

Cash, Cash Equivalents, and Restricted Cash

HHFM consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects or other long-term purposes are excluded from this definition.

Receivables

Receivables consist primarily of non-interest-bearing amounts due from government for unreimbursed program expenses. All receivables are expected to be collected within one year and as such have been recorded at their net realizable value with no allowance for uncollected receivable. Receivables are written off when deemed uncollectable.

HARVEST HOME FARMER'S MARKET, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

Note 1. Principal Activity and Significant Accounting Policies (Continued)

Property and Equipment

HHFM capitalizes certain property with estimated lives of three years or more. Capitalized assets are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the useful lives of the asset. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor or grantor restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

HHFM reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

HHFM recognizes contributions when cash, other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

HARVEST HOME FARMER'S MARKET, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

Note 1. Principal Activity and Significant Accounting Policies (Continued)

Revenue and Revenue Recognition (Continued)

A major portion of HHFM revenue is derived from government grants and contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when HHFM has met its performance and/or has incurred expenditures in compliance with specific contract or grant provisions. Amounts received in advance and prior to incurring qualifying expenditures are reported as advance payable in the statement of financial position.

Grants and contributions received are recorded as with donor restrictions and/or without donor restrictions, depending on the existence and/or nature of any funder/donor restrictions. Grants and contributions with donor restrictions that are met in the same reporting period are reported as donor without restrictions and increase net assets without donor restrictions. When the restrictions expire or when the restrictions are met, the net assets with donor restrictions are classified to net assets without donor restrictions.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on HHFM's allocation plan and best estimates.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied based on HHFM's allocation plan and best estimates.

Income Taxes

HHFM is organized as **NYS** nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. HHFM is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. HHFM has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

HARVEST HOME FARMER'S MARKET, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

Note 1. Principal Activity and Significant Accounting Policies (Continued)

Estimates

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

Financial Instruments and Credit Risk

HHFM manages deposit concentration risk by placing cash and cash equivalents with financial institutions believed by it to be creditworthy. Cash in bank is fully covered by the Federal Depository Insurance Corporation ("FDIC"). FDIC provides deposit insurance up to \$250,000. At times, amounts on deposit may exceed insured limits. To date, HHFM has not experienced losses in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and organizations supportive of its mission.

Recent Accounting Guidance

In February 2020, the AICPA Accounting and Review Services Committee, issued Statements on Standards for Accounting and Review Services (SSRAS") No. 25, Materiality in a Review of Financial Statements and Adverse Conclusions amending SSRAS No. 21, Clarification and Recodification. The effective date of the guidance is for reviews of financial statements for periods ending on or after December 15, 2021.

Subsequent Events

Management evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected in the financial statements. Such evaluation is performed through the date the financial statements were available to be issued, which was April 29, 2021 for these financial statements

HARVEST HOME FARMER'S MARKET, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020 AND 2019

Note 2 Liquidity and Availability

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

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 74,273	\$ 53,075
Accounts receivable	10,865	7,320
Grants and contributions receivable	<u>135,638</u>	<u>65,918</u>
Total	<u>\$ 220,776</u>	<u>\$ 126,313</u>

HHFM regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, HHFM considers all expenditures related to its ongoing activities of public service as well as the conduct of services undertaken to support those activities to be general expenditures. In addition to financial assets available to meet general expenditures over the next 12 months, HHFM operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic. HHFM is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on HHFM's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on HHFM's funders, contributors, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact HHFM's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

HARVEST HOME FARMER'S MARKET, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020 AND 2019

Note 3. Cash and Cash Equivalents

At December 31, cash and cash equivalents consisted of:

	<u>2020</u>	<u>2019</u>
TD Bank		
Checking – operating and payroll (deficit)	\$ (4,209)	\$ 28,460
Checking	4,929	4,972
Capital One		
Checking – EBT account	73,364	19,589
Petty cash	<u>189</u>	<u>54</u>
Total	\$ <u>74,273</u>	\$ <u>53,075</u>

Note 4. Grants and Contributions Receivable

As of December 31, grants and contributions receivable consisted of:

<u>Receivable from:</u>	<u>Balance at</u> <u>12/31/2020</u>	<u>Subsequent</u> <u>Receipts</u>	<u>Balance at</u> <u>12/31/2019</u>	<u>Subsequent</u> <u>Receipts</u>
NYC DYCD #68186R	\$	\$	\$ 34,881	\$ 34,881
NYC DYCD #68186S	103,128			
HPNAP - FY 21	13,069	13,069	31,037	31,037
NY Nourish - FY21	19,441	19,441		
Total	\$ <u>135,638</u>	\$ <u>32,510</u>	\$ <u>65,918</u>	\$ <u>65,918</u>

Note 5. Equipment

Equipment consisted of the following:

<u>Furniture and Equipment</u>	<u>2020</u>	<u>2019</u>
Computer equipment	\$ 20,457	\$ 20,457
Furniture	1,563	1,563
Less: Accumulated depreciation	<u>(21,357)</u>	<u>(19,639)</u>
Total	\$ <u>663</u>	\$ <u>2,381</u>

Depreciation expense amounted to \$1,718 in 2020 and \$2,568 in 2019.

HARVEST HOME FARMER'S MARKET, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

Note 6. Line of Credit

HHFM has a \$50,000 unsecured line of credit with TD Bank. Advances on the credit line are payable on demand and carry a variable interest rate of 7.79%. Outstanding balance amounted to \$50,000 as of December 31, 2020 and 2019.

Note 7. Accrued Farmer's Token Redemption

Consumers purchase tokens through Electronic Benefit Transactions ("EBT") and debit or credit card. Farmers collect tokens from consumers in exchange for merchandise. HHFM records a liability for tokens that have yet to be redeemed by the farmers. HHFM maintains a separate bank account to account for these transactions. Outstanding balance amounted to \$89,326 and \$34,390 in 2020 and 2019, respectively.

Note 8. Loan Payable

HHFM received a loan from the Fund for the City of New York as an advance of funds against NYC DYCD contract. The outstanding amount of \$72,494 in 2020 is still outstanding.

Note 9. Advance Payable

The 2020 advance payable of \$14,584 was from NYS DOH/HPNAP contract and the 2019 advance payable of \$37,500 was from DYCD contract. Both advances were subsequently applied to program expense reimbursement.

Note 10. PPP Forgiven Liability

On May 7, 2020, HHFM received loan proceeds in the amount of \$52,385 under the Paycheck Protection Program ("PPP"). Established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business's average monthly payroll expenses. PPP loans and accrued interest are forgivable after a "covered period" (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities.

HHFM believes it has met the condition of the loan to be forgiven and has applied for its forgiveness. The loan is subsequently forgiven and the full amount of \$52,385 is reclassified as revenue in 2020.



HARVEST HOME FARMER'S MARKET, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020 AND 2019

Note 11. Office Space Commitment

HHFM acquired a six months term of membership agreement from WeWork to occupy office space located at 8 W 126<sup>TH</sup> Street, New York, NY 10027, starting February 1, 2019. After the initial term, use of the space is on a month-to-month basis.

Membership fees amounted to \$44,449 and \$39,965 for 2020 and 2019, respectively.

Note 12. In-kind

HHFM received donated goods and services as follows:

	<u>2020</u>	<u>2019</u>
Printing	\$ 0	\$ 900
Support services	<u>112,663</u>	<u>19,978</u>
Total	\$ <u>112,663</u>	\$ <u>20,878</u>

Donated goods are valued at their estimated fair market value at the date of donation and services are valued at estimated comparable rate for similar service.

Note 13. Retirement Plan

HHFM opened a retirement plan in 2016. Under the plan, eligible employees may elect to make deposits, subject to the maximum amount allowed for federal tax purposes. In addition, the plan calls for the HHFM to make matching contributions based on the participant's contribution and salary. HHFM did not make employer contribution to the plan for the years ended 2020 and 2019.

Note 14. Related Party Transactions

None

Note 15. Contingent Liability

Reimbursements from grant related expenses and overhead applicable to programs conducted under contract funded by government agencies are subject to audit by the funding agencies which may result in adjustments for disallowance. The amount of the disallowance, if any, cannot be determined as of the date of this report and no provision in the financial statement is made for these potential liabilities.

HARVEST HOME FARMER'S MARKET, INC.  
 SCHEDULE OF EXPENSES OF GOVERNMENT AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2020

Funding Agency	Name of Project/Program	CFDA No./ Contract No.	Budget period	Budget Amount	Amount Expended from 1/1/20 to 12/31/20
<u>Federal Grants</u>					
Small Business Administration	Paycheck Protection Program	Loan # 4310307702	5/07/20 - 10/22/20	\$ 52,385	\$ 52,385
Total				52,385	52,385
<u>New York State Grants</u>					
NYS Department of Health	Hunger Prevention and Nutrition Assistance Program	C32844GG	11/1/18 - 6/30/20	291,667	91,580
NYS Department of Health	Hunger Prevention and Nutrition Assistance Program	C32844GG	07/1/20 - 6/30/21	175,000	133,189
NYS Department of Health	New York Nourish	N/A	05/1/20 - 12/31/20	173,984	173,952
Total				640,651	398,721
<u>New York City Grants</u>					
NYC Department of Youth & Community Development	Food and Nutrition Education	68186R	7/1/19 - 6/30/20	150,000	40,119
NYC Department of Youth & Community Development	Food and Nutrition Education	68186S	7/1/20 - 6/30/21	150,000	103,127
Total				300,000	143,246
Total				\$ 993,036	\$ 594,352

See Notes to financial Statements.