END HUNGER

COMMUNITY HARVEST NETWORK

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

MULLINS P.C.
A CPA firm dedicated to serving nonprofits

Independent Auditor's Report

Board of Directors
End Hunger In Calvert County, Inc.
Huntingtown, Maryland

Opinion

We have audited the accompanying financial statements of End Hunger In Calvert County, Inc. (End Hunger), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year 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 End Hunger as of December 31, 2025, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of End Hunger 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 the 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 End Hunger's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

End Hunger In Calvert County, Inc.
Huntingtown, Maryland

Auditor's Responsibilities 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 auditor's 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, including omissions, 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 End Hunger'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 End Hunger'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.

Report on Summarized Comparative Information

We have previously audited End Hunger's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 16, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Mullin PC

Bethesda, Maryland
September 19, 2026

Certified Public Accountants

7625 Wisconsin Avenue, Suite 317 | Bethesda, Maryland 20814
202.770.6371 | www.mullinspc.com | john@mullinspc.com

End Hunger In Calvert County, Inc.

Statement of Financial Position
December 31, 2025
With Comparative Totals As Of December 31, 2024

	2025	2024
Assets		
Cash and Cash Equivalents	**$ 200,363**	$ 153,451
Contributions and Grants Receivable	**4,801**	12,236
Food Inventory	**411,554**	194,049
Property and Equipment - Net	**8,336,853**	8,543,078
Total Assets	**$ 8,953,571**	$ 8,902,814
Liabilities and Net Assets		
Liabilities		
Accounts Payable and Accrued Expenses	**$ 159,228**	$ 262,366
Notes Payable	**1,843,783**	1,905,620
Total Liabilities	**2,003,011**	2,167,986
Net Assets		
Without Donor Restrictions	**6,895,542**	6,678,914
With Donor Restrictions	**55,018**	55,914
Total Net Assets	**6,950,560**	6,734,828
Total Liabilities and Net Assets	**$ 8,953,571**	$ 8,902,814

See Accompanying Notes to Financial Statements

End Hunger In Calvert County, Inc.

Statement of Activities
For The Year Ended December 31, 2025
With Comparative Totals For The Year Ended December 31, 2024

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	**Total**	Total
Support and Revenues				
Event Registration and Sponsorship	$ 246,317	$ -	**$ 246,317**	$ 254,851
Contributions and Grants	597,704	102,000	**699,704**	1,365,402
In-Kind Contributions - Food	733,536	-	**733,536**	1,738,838
In-Kind Contributions - Other	545,976	-	**545,976**	668,206
Food Revenue	518,433	-	**518,433**	592,908
Coffee Shop - Revenue	472,445	-	**472,445**	744,634
Coffee Shop - Cost of Food	(201,893)	-	**(201,893)**	(278,287)
Other Revenue	76,806	-	**76,806**	26,844
Net Assets Released from Restrictions	102,896	(102,896)	**-**	-
Total Support and Revenues	3,092,220	(896)	**3,091,324**	5,113,396
Expenses				
Program Services				
Food Assistance	1,874,770	-	**1,874,770**	3,631,108
Culinary Program	74,736	-	**74,736**	107,716
Coffee Program	686,964	-	**686,964**	424,559
Total Program Expense	2,636,470	-	**2,636,470**	4,163,383
Supporting Services				
General and Administrative	153,739	-	**153,739**	204,302
Fundraising	85,383	-	**85,383**	107,520
Total Supporting Services Expense	239,122	-	**239,122**	311,822
Total Expenses	2,875,592	-	**2,875,592**	4,475,205
Changes in Net Assets	216,628	(896)	**215,732**	638,191
Net Assets, Beginning of Year	6,678,914	55,914	**6,734,828**	6,096,637
Net Assets, End of Year	$ 6,895,542	$ 55,018	**$ 6,950,560**	$ 6,734,828

See Accompanying Notes to Financial Statements

Statement of Functional Expenses
For The Year Ended December 31, 2025
With Comparative Totals For The Year Ended December 31, 2024

	2025						2024
	Food Assistance	Culinary Program	Coffee Program	General and Administrative	Fundraising	**Total**	Total
Personnel Costs	$ 75,252	$ 57,089	$ 505,148	$ 115,460	$ 18,165	**$ 771,114**	$ 830,961
Food Assistance	939,129	-	-	-	-	**939,129**	2,424,030
Occupancy and Utilities	516,736	649	2,471	-	-	**519,856**	526,419
Professional Services	8,558	6,492	57,447	2,164	2,066	**76,727**	127,161
Office and Supplies	11,008	8,351	73,897	2,784	2,658	**98,698**	101,530
Subscriptions and Bank Fees	-	-	30,681	24,991	-	**55,672**	42,845
Interest	101,005	-	9,115	8,340	-	**118,460**	84,052
Special Events	-	-	-	-	62,494	**62,494**	93,564
Depreciation and Amortization	223,082	2,155	8,205	-	-	**233,442**	244,643
Total	$ 1,874,770	$ 74,736	$ 686,964	$ 153,739	$ 85,383	**$ 2,875,592**	$ 4,475,205

See Accompanying Notes to Financial Statements

End Hunger In Calvert County, Inc.

Statement of Cash Flows
For The Year Ended December 31, 2025
With Comparative Totals For The Year Ended December 31, 2024

	2025	2024
Cash Flows from Operating Activities		
Changes in Net Assets	**$ 215,732**	$ 638,191
Adjustments to Reconcile Changes in Net Assets		
to Net Cash Provided by (Used in) Operating Activities		
Depreciation and Amortization	**233,442**	244,643
Gain on Disposal of Assets	**(1,454)**	-
(Increase) Decrease in Assets		
Contributions and Grants Receivable	**7,435**	2,674
Food Inventory	**(217,505)**	136,278
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	**(103,138)**	178,134
Refundable Advance	**-**	(8,757)
Net Cash Provided by (Used in) Operating Activities	**134,512**	1,191,163
Cash Flows from Investing Activities		
Purchases of Property and Equipment	**(90,763)**	(1,301,971)
Proceeds from Sales of Property and Equipment	**65,000**	-
Net Cash Provided by (Used in) Investing Activities	**(25,763)**	(1,301,971)
Cash Flows from Financing Activities		
Principal Payments on Note Payable	**(61,837)**	(73,607)
Net Cash Provided by (Used in) Financing Activities	**(61,837)**	(73,607)
Increase (Decrease) in Cash and Cash Equivalents	**46,912**	(184,415)
Cash and Cash Equivalents, Beginning of Year	**153,451**	337,866
Cash and Cash Equivalents, End of Year	**$ 200,363**	$ 153,451
Supplemental Cash Flow Information		
Cash Paid for Interest	**$ 120,244**	$ 84,052

See Accompanying Notes to Financial Statements

1. ORGANIZATION

End Hunger In Calvert County, Inc. (End Hunger) was incorporated in Huntingtown, Maryland on July 24, 2009, for the purpose of making distributions to not-for-profit organizations to assist public welfare.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of End Hunger have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires End Hunger to report information regarding its financial position and activities in accordance with the accrual basis of accounting and the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of End Hunger. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of End Hunger or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

End Hunger has elected the simultaneous release policy available for donor restricted contributions that were initially contributions with donor restrictions, which allows a nonprofit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires 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. Actual results could differ from those estimates.

Cash Equivalents

The End Hunger reports as cash and cash equivalents all highly liquid investments with maturities of less than three months at the date of receipt.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Grants Receivable

Contributions and grants receivable represent unconditional promises to give, and are recorded at either net realizable value, or at net present value based on projected cash flows. Amounts receivable in more than one year were discounted using a discount rate that considers a market and credit risk during the year ended December 31, 2025. Management determines the allowance for doubtful accounts based upon review of outstanding receivables, historical collection information, and existing economic conditions. No allowance for doubtful accounts is recorded as management believes that all receivables are fully collectible within one year.

Donated Food Inventory

Donated food inventory is reported at fair value based on an average value per pound estimate calculated by the Maryland Food Bank.

Property and Equipment

Property and equipment are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, ranging from five to fifteen years. End Hunger's policy is to capitalize items over $2,500. The cost of maintenance and repairs is recorded as expenses are incurred.

Impairment of Long-Lived Assets

End Hunger reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property and equipment are less than its carrying amount, management compares the carrying amount of the property and equipment to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended December 31, 2025.

Revenue Recognition

Contributions and grants that are nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. End Hunger reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated funds to one of End Hunger's programs or to a future year. When a donor restriction expires, that is, 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 statement of activities as net assets released from restrictions.

Event registrations and sponsorships include amounts paid by or on behalf of participants and sponsors. Fees are based on published fixed rates and collected either at the time of registration, in advance of the event which results in a deferred revenue balance, or at the time that the event takes place and immediately recognized as income. End Hunger had no deferred revenue as of December 31, 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

End Hunger has a relationship with the Maryland Food Bank and provides food and related items to other organizations providing food to those in need. The Food revenue represents contributions that End Hunger receives approximating the value of food and related items provided.

End Hunger operates a coffee shop to provide employment and training as a portion of its mission. The coffee shop revenue is immediately recognized as revenue when sales transactions occur.

In-Kind Contributions

In-kind contributions are recorded at the respective fair values of the goods or services received. In-kind contributions can include donated professional services, donated food, equipment, and other nonfinancial assets. In addition to recorded in-kind contributions, volunteers donate significant amounts of time to program services, administrative, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by GAAP.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses that are attributable to one program or supporting function are directly allocated based on the nature of the expense. The categories of expenses that are attributable to more than one program or supporting function have been allocated among the programs and supporting services based on time and effort.

Income Taxes and Uncertain Tax Positions

End Hunger is exempt from Federal income tax, on its exempt purpose activities, under Section 501(c)(3) of the Internal Revenue Code (IRC). End Hunger is subject to income tax on its unrelated business income under the IRC. End Hunger had no unrelated business income for the year ended December 31, 2025.

For the year ended December 31, 2025, End Hunger has documented its consideration of FASB ASC 740-10, *Income Taxes,* that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Reclassifications

Certain amounts in prior year's financial statements have been reclassified to conform to the current year's presentation. The reclassifications have had no effect on previously reported net assets or changes in net asset amounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Information

The 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with End Hunger's financial statements for the year ended December 31, 2025, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events through September 19, 2026, the date which the financial statements were available to be issued.

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject End Hunger to significant concentrations of credit risk consist of cash and cash equivalents. End Hunger maintains cash deposit and transaction accounts with financial institutions, and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). End Hunger has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

4. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2025 was as follows:

Furniture	$	288,214
Vehicles		28,353
Buildings - Warehouse		7,306,058
Construction in Progress		1,352,020
Total		8,974,645
Less Accumulated Depreciation and Amortization		(637,792)
	$	8,336,853

Depreciation and amortization for the year ended December 31, 2025 was $233,442.

5. NOTES PAYABLE

End Hunger is obligated under a loan from the Economic Injury Disaster Loan (EIDL) program from the SBA. The interest rate for nonprofit organizations is 2.75% and repayable over thirty years beginning in July 2022. The note payable balance as of December 31, 2025 was $468,434.

5. NOTES PAYABLE (CONTINUED)

End Hunger is obligated under a construction loan that provides maximum borrowing of $1,500,000. The loan is collateralized by substantially all of End Hunger's assets. The interest rate is 7.25% as of December 31, 2025 and is subject to adjustment every 3 years. The loan is payable over 240 monthly payments. The balance at December 31, 2025 is $1,371,611 and the monthly payment of principal and interest is $11,601. In conjunction with the loan, End Hunger incurred a loan fee that is being amortized as interest over the life of the loan. The remaining loan fee at December 31, 2025 is $10,090.

End Hunger is obligated under a note payable that is secured by equipment. The note bears interest at an approximate rate of 9.7% and is payable through June 2027. The balance at December 31, 2025 is $13,828

Aggregate maturities of the notes payable as of December 31, 2025, are due in future years as follows:

2026	$ 63,400
2027	62,832
2028	61,623
2029	65,577
2030	69,810
Thereafter	1,520,541
	$ 1,843,783

6. NET ASSETS

As of December 31, 2025, net assets with donor restrictions were as follows:

	Beginning of Year	Contributions	Releases	**End of Year**
Warehouse	$ 5,000	$ -	$ (5,000)	**$ -**
Equipment	1,054	-	(1,054)	**-**
Food Distribution	8,451	72,000	(55,433)	**25,018**
Culinary Kitchen	10,468	30,000	(10,468)	**30,000**
Other Purposes	30,941	-	(30,941)	**-**
Total	$ 55,914	$ 102,000	$ (102,896)	**$ 55,018**

Net assets without donor restrictions were not board-designated at December 31, 2025.

7. IN-KIND CONTRIBUTIONS

The Organization received the following gifts-in-kind for the year ended December 31, 2025:

Food Contributions	$	733,536
Below Market Rent		449,546
General Support Provided By Others		96,430
	$	1,279,512

End Hunger's policy related to in-kind contributions is to utilize the assets given to carry out its mission. If an asset is provided that does not allow End Hunger to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

End Hunger is in the process of constructing a warehouse to use as a storage facility to store food and other related items. In order to facilitate the construction of this warehouse, End Hunger has been provided with a land lease for the land the warehouse will occupy for less than fair market value. Management of End Hunger has identified that End Hunger would have paid $449,546 based on current land rental market rates for the year ended December 31, 2025.

End Hunger reports the fair value of food donations over which it has control (i.e., variance power) as donations without donor restrictions and, shortly thereafter, as expense when distributed to those in need. Based upon a study performed by Feeding America, the approximate average wholesale value of one pound of donated product at the national level ranged from $1.97 to $1.90 during 2025.

End Hunger was provided management support from a related entity in the form of employee time and effort. The services were received at no cost to End Hunger during the year ended December 31, 2025 and were valued at $96,430.

All in-kind-contributions received by the Organization for the year ended December 31, 2025 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

8. RELATED PARTY

In prior years, End Hunger was affiliated with Chesapeake Church (the Church) through common management and shared administrative functions. End Hunger ceased its affiliation with the Church at the end of the year. During the year, the Church provided End Hunger with advances totaling $15,000 which are included as accrued expenses in the financial statements. There are no repayment terms and the Church notified End Hunger that the funds would be forgiven subsequent to the end of the year.

During the year ended December 31, 2025, the Church provided End Hunger management services in the form of employee time and effort at no cost to End Hunger.

During 2019, End Hunger entered into a 40-year lease with the Church to rent the Church's land for End Hunger's warehouse for $1 a year. As disclosed in Note 7, the below market land lease was valued at $449,546 for 2025.

9. AVAILABILITY AND LIQUIDITY

The following represents the End Hunger's financial assets at December 31, 2025:

Financial Assets at Year End:		
Cash and Cash Equivalents	$	200,363
Contributions and Grants Receivable		4,801
Total Financial Assets		205,164
Less Amounts Not Available To Be Used Within One Year:		
Net Assets With Donor Restrictions		(55,018)
Net Assets With Donor Restrictions To Be Used Within Twelve Months		55,018
		-
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	$	205,164

As part of the End Hunger's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.