

# END HUNGER

---

## IN CALVERT COUNTY

---

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**



## 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, 2024, 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, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

## **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 and *Government 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 and *Government 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.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing

Board of Directors  
End Hunger In Calvert County, Inc.

standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated September 16, 2025, on our consideration of End Hunger's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of End Hunger's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering End Hunger's internal control over financial reporting and compliance.

**Report on Summarized Comparative Information**

We have previously audited End Hunger's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 11, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Mullin PC*

Bethesda, Maryland  
September 16, 2025

Certified Public Accountants

**End Hunger In Calvert County, Inc.**

**Statement of Financial Position  
December 31, 2024  
With Comparative Totals As of December 31, 2023**

	<u>2023</u>	<u>2024</u>
<b>Assets</b>		
Cash	\$ 337,866	<b>\$ 153,451</b>
Promises to Give - Net	14,910	<b>12,236</b>
Donated Food Inventory	330,327	<b>194,049</b>
Property and Equipment - Net	<u>7,485,750</u>	<b>8,543,078</b>
<b>Total Assets</b>	<u>\$ 8,168,853</u>	<b><u>\$ 8,902,814</u></b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 84,232	<b>\$ 262,366</b>
Long-Term Debt	1,479,227	<b>1,423,745</b>
EIDL Note Payable	500,000	<b>481,875</b>
Refundable Advance	<u>8,757</u>	-
<b>Total Liabilities</b>	<u>2,072,216</u>	<b><u>2,167,986</u></b>
<b>Net Assets</b>		
Without Donor Restrictions	5,983,597	<b>6,678,914</b>
With Donor Restrictions	<u>113,040</u>	<b><u>55,914</u></b>
<b>Total Net Assets</b>	<u>6,096,637</u>	<b><u>6,734,828</u></b>
<b>Total Liabilities and Net Assets</b>	<u>\$ 8,168,853</u>	<b><u>\$ 8,902,814</u></b>

**See accompanying Notes to Financial Statements.**

**End Hunger In Calvert County, Inc.**

**Statement of Activities**  
**For the Year Ended December 31, 2024**  
**With Comparative Totals For the Year Ended December 31, 2023**

	<b>2024</b>			
	<b>2023</b>	Without Donor Restrictions	With Donor Restrictions	<b>Total</b>
<b>Revenues, Support, and Reclassifications</b>				
Event Registration and Sponsorship	\$ 182,603	\$ 254,851	\$ -	<b>254,851</b>
Grants	992,574	1,250,161	1,400	<b>1,251,561</b>
Contributions	191,922	58,321	55,520	<b>113,841</b>
Contributions - In-Kind - Food	1,640,102	1,738,838	-	<b>1,738,838</b>
Contributions - In-Kind - Other	161,504	668,206	-	<b>668,206</b>
Food Revenue	467,021	592,908	-	<b>592,908</b>
Coffee Shop - Revenue	694,913	744,634	-	<b>744,634</b>
Coffee Shop - Cost of Food	(268,162)	(278,287)	-	<b>(278,287)</b>
Other	32,539	26,844	-	<b>26,844</b>
Net Assets Released from Restrictions	-	114,046	(114,046)	-
<b>Total Revenues and Support</b>	<b>4,095,016</b>	<b>5,170,522</b>	<b>(57,126)</b>	<b>5,113,396</b>
<b>Expenses</b>				
Food Assistance (Including Shared Service Expense of \$122,038	3,238,606	3,631,108	-	<b>3,631,108</b>
Culinary Program	-	107,716	-	<b>107,716</b>
Coffee Program	418,325	424,559	-	<b>424,559</b>
General and Administrative (Including Shared Service Expense of \$9,205	215,197	204,302	-	<b>204,302</b>
Fundraising (Including Shared Service Expense of \$4,880	5,000	107,520	-	<b>107,520</b>
<b>Total Expenses</b>	<b>3,877,128</b>	<b>4,475,205</b>	<b>-</b>	<b>4,475,205</b>
Changes in Net Assets	217,888	695,317	(57,126)	<b>638,191</b>
Net Assets, Beginning of Year	5,878,749	5,983,597	113,040	<b>6,096,637</b>
<b>Net Assets, End of Year</b>	<b>\$ 6,096,637</b>	<b>\$ 6,678,914</b>	<b>\$ 55,914</b>	<b>\$ 6,734,828</b>

**See accompanying Notes to Financial Statements.**

**End Hunger In Calvert County, Inc.**  
**Statement of Functional Expense**  
**For the Year Ended December 31, 2024**  
**With Comparative Totals For the Year Ended December 31, 2023**

	2023	2024						<b>Total</b>
		Food Assistance	Culinary Program	Coffee Program	Total Program	Management and General	Fundraising	
Food Assistance	\$ 2,359,598	\$ 2,424,030	\$ -	\$ -	\$ 2,424,030	\$ -	\$ -	<b>\$ 2,424,030</b>
Personnel Costs	846,053	345,241	94,329	350,223	789,793	26,912	14,256	<b>830,961</b>
Occupancy and Utilities	115,757	594,677	4,900	10,894	610,471	-	-	<b>610,471</b>
Awareness	25,547	7,977	-	-	7,977	-	-	<b>7,977</b>
Client Support	2,804	1,415	172	-	1,587	-	-	<b>1,587</b>
Depreciation and Amortization	152,656	241,900	2,155	-	244,055	588	-	<b>244,643</b>
Pantry Supplies	15,255	15,868	5,860	-	21,728	-	-	<b>21,728</b>
Professional Services	107,748	-	-	-	-	127,161	-	<b>127,161</b>
Bank and Payroll Fees	31,846	-	-	-	-	42,845	-	<b>42,845</b>
Uncollectible Pledges	51,348	-	-	-	-	-	-	-
Office Expense	80,788	-	-	63,442	63,442	6,796	-	<b>70,238</b>
Special Events	87,728	-	300	-	300	-	93,264	<b>93,564</b>
Total Expenses	<b>\$ 3,877,128</b>	<b>\$ 3,631,108</b>	<b>\$ 107,716</b>	<b>\$ 424,559</b>	<b>\$ 4,163,383</b>	<b>\$ 204,302</b>	<b>\$ 107,520</b>	<b>\$ 4,475,205</b>

**See accompanying Notes to Financial Statements.**

**End Hunger In Calvert County, Inc.**

**Statement of Cash Flows**  
**For the Year Ended December 31, 2024**  
**With Comparative Totals For the Year Ended December 31, 2023**

	<u>2023</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 217,888	<b>\$ 638,191</b>
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used in) Operating Activities		
Depreciation and Amortization	152,656	<b>244,643</b>
Food Donations	(2,107,123)	<b>(1,738,838)</b>
Food Distribution	2,388,703	<b>1,875,116</b>
<u>(Increase) Decrease in Assets</u>		
Accounts Receivable	65,829	<b>2,674</b>
Promises to Give - Net	138,625	-
Prepaid Expenses	5,774	-
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable and Accrued Expenses	(115,544)	<b>178,134</b>
Refundable Advance	(491,243)	<b>(8,757)</b>
Net Cash Provided by (Used in) Operating Activities	<u>255,565</u>	<u><b>1,191,163</b></u>
<b>Cash Flows from Investing Activities</b>		
Purchases of Property and Equipment	<u>(306,723)</u>	<u><b>(1,301,971)</b></u>
Net Cash Provided by (Used in) Investing Activities	<u>(306,723)</u>	<u><b>(1,301,971)</b></u>
<b>Cash Flows from Financing Activities</b>		
Principle Payment on Long-Term Debt	<u>(36,860)</u>	<u><b>(73,607)</b></u>
Net Cash Provided by (Used in) Financing Activities	<u>(36,860)</u>	<u><b>(73,607)</b></u>
Increase (Decrease) in Cash	<u>(88,018)</u>	<u><b>(184,415)</b></u>
Cash, Beginning of Year	<u>425,884</u>	<u><b>337,866</b></u>
<b>Cash, End of Year</b>	<u><b>\$ 337,866</b></u>	<u><b>\$ 153,451</b></u>
<b>Supplemental Schedule of Non-Cash Transactions:</b>		
Building in Progress financed through Long-Term Debt	<u>\$ 487,853</u>	<u>\$ -</u>

**See accompanying Notes to Financial Statements.**

# **End Hunger In Calvert County, Inc.**

## **Notes to Financial Statements**

### **December 31, 2024**

#### **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.

##### **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.

##### **Promises to Give**

Unconditional promises to give are recorded as receivables and revenue when received. End Hunger distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions.

Conditional promises to give are recognized when the conditions are met.

Management determines the allowance for doubtful promises to give by using the historical experience and the aging of the promise to give population. Promises to give are written off when deemed uncollectable. Based on management's evaluation, there is no allowance for doubtful promises to give as of December 31, 2024.

## **End Hunger In Calvert County, Inc.**

### **Notes to Financial Statements** **December 31, 2024**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **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 at cost and depreciated or amortized over useful lives of five to fifteen years. End Hunger's policy is to capitalize items over \$2,500.

##### **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, 2024.

##### **Revenue Recognition**

Contributions and grants, including unconditional promises to give, are recognized as revenues in the period received or pledged. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets, other than cash, are recorded at their estimated fair value at the date of gift. Contributed services and materials are recorded at their estimated fair value if they would otherwise be purchased if not provided by donation and provided by professionals in their field.

There were no unrecognized conditional contributions or grants as of December 31, 2024.

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 resulting in a deferred revenue balance, or at the time that the event takes place and immediately recognized as revenue.

##### **Income Taxes**

End Hunger is generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. End Hunger is subject to income taxes on unrelated business income, as defined by the Internal Revenue Service. During the year ended December 31, 2024, End Hunger had no taxable unrelated business income, and accordingly, no provision for income taxes is required in the accompanying financial statements.

## **End Hunger In Calvert County, Inc.**

### **Notes to Financial Statements** **December 31, 2024**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Income Taxes (Continued)**

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, End Hunger may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of End Hunger and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for 2024.

End Hunger's policy would be to recognize interest and penalties, if any, on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. No interest and penalties were assessed or recorded during 2024.

##### **Functional Allocation of 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. Accordingly, the categories of expenses that are attributable to more than one program or supporting function have been allocated among the programs and supporting services on the basis of employee time and effort.

##### **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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with End Hunger's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

##### **Subsequent Events**

Management has evaluated subsequent events through September 16, 2025, the date which the financial statements were available to be issued.

Subsequent to year end, the federal administration introduced a series of Executive Orders, memos, and federal agency guidance regarding new compliance obligations, cost considerations, and enforcement risks which may directly impact federal, state, and local grants. The implications of many of these measures are unclear. As a result, there is uncertainty regarding the future availability of grant funding and its potential impact on End Hunger.

## **End Hunger In Calvert County, Inc.**

### **Notes to Financial Statements** **December 31, 2024**

#### **3. CONCENTRATION OF CREDIT RISK**

End Hunger maintains its cash in bank accounts insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. End Hunger's balances in these accounts, from time to time, exceed insurable limits. End Hunger has not experienced any credit losses on its cash 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 and accumulated depreciation at December 31, 2024 are as follows:

Leasehold Improvements	\$ 138,720
Furniture	20,148
Equipment	322,631
Computer and Software	20,192
Vehicles	179,070
Buildings - Warehouse	7,301,058
Construction in Progress	<u>1,294,537</u>
	9,276,356
Accumulated Depreciation and Amortization	<u>(733,278)</u>
Property and Equipment - Net	<u>\$ 8,543,078</u>

Depreciation and amortization expense for the year ended December 31, 2024 was \$244,643.

#### **5. NOTE 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, 2024 was \$481,875.

Aggregate maturities of the note payable as of December 31, 2024, are due in future years as follows:

2025	\$ 12,999
2026	13,361
2027	13,733
2028	14,115
2029	14,507
Thereafter	<u>413,160</u>
	\$ 481,875

## **End Hunger In Calvert County, Inc.**

### **Notes to Financial Statements** **December 31, 2024**

#### **6. LONG-TERM DEBT**

End Hunger entered into a construction loan during the year that provides maximum borrowing of \$1,500,000. The loan is collateralized by End Hunger's assets. The interest rate is 4.25% as of December 31, 2024 and is subject to adjustment every 3 years. The loan is payable over a term loan repayable in 240 monthly payments. The balance at December 31, 2024 is \$1,434,423 and the monthly payment of principal and interest is \$9,267.

Aggregate maturities of the note payable as of December 31, 2024, are due in future years as follows:

2025	\$ 59,936
2026	62,197
2027	61,233
2028	59,266
2029	61,835
Thereafter	<u>1,129,956</u>
	1,434,423
Less Deferred Financing Costs	<u>(10,678)</u>
	\$ 1,423,745

#### **7. IN-KIND CONTRIBUTIONS**

The Organization received the following gifts-in-kind for the year ended December 31, 2024:

Food Inventory	\$ 1,738,838
Below Market Land Lease	450,000
Warehouse and General Support	<u>218,206</u>
	\$ 2,407,044

End Hunger's policy related to gifts-in-kind 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 \$450,000 based on current land rental market rates for the year ended December 31, 2024.

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. During the year ended December 31, 2024, End Hunger collected approximately 890,000 pounds of donated food. 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 \$1.93 to \$1.97 during 2024.

## End Hunger In Calvert County, Inc.

### Notes to Financial Statements December 31, 2024

#### 7. IN-KIND CONTRIBUTIONS (CONTINUED)

During the year ended December 31, 2024, End Hunger distributed approximately 926,000 pounds of donated product.

End Hunger was provided management and warehouse support from a related entity in the form of employee time and effort. The services received at no cost to End Hunger during the year ended December 31, 2024 were \$163,206.

All gifts-in-kind received by the Organization for the year ended December 31, 2024 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

#### 8. NET ASSETS

Net assets with donor restrictions include donor-restricted grants and contributions which are either time restricted or only available for certain program activities. Net assets with donor restrictions were released from restriction during the year ended December 31, 2024, due to purpose restrictions being accomplished.

Changes in net assets with donor restrictions during the year December 31, 2024, are as follows:

<b>Purpose Restrictions:</b>	<u>Beginning of Year</u>	<u>Additions</u>	<u>Releases</u>	<u>End of Year</u>
Warehouse	\$ 56,932	\$ 11,520	\$ (63,452)	\$ 5,000
Equipment	2,165	7,000	(8,111)	1,054
Food Distribution	13,430	7,000	(11,979)	8,451
Culinary Kitchen	40,513	-	(30,045)	10,468
Other Purposes	-	31,400	(459)	30,941
	<u>\$ 113,040</u>	<u>\$ 56,920</u>	<u>\$ (114,046)</u>	<u>\$ 55,914</u>

#### 9. RELATED PARTY

End Hunger is affiliated with Chesapeake Church (the Church) through common management and shared administrative functions. The Church provided administrative support free of charge to End Hunger. During 2024, End Hunger recognized revenue and related expense of \$163,000 for contributed services received from the Church based on an allocation of staff time dedicated to End Hunger operations. These shared service expenses have been recorded as food assistance and general and administrative expenses in the statements of activities and functional expenses.

During the year ended December 31, 2024, End Hunger reimbursed the Church approximately \$54,000 for expenses paid on End Hunger's behalf. In addition, End Hunger reimbursed the Church approximately \$163,000 for additional administrative support the Church provided to End Hunger during the year in excess of amounts contributed.

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 8, the below market land lease was valued at \$450,000 for 2024.

## **End Hunger In Calvert County, Inc.**

### **Notes to Financial Statements** **December 31, 2024**

#### **10. AVAILABILITY AND LIQUIDITY**

The following represents End Hunger's financial assets at December 31, 2024:

Financial Assets at Year End:

Cash	\$ 153,451
Promises to Give - Net	<u>12,236</u>
Total Financial Assets	<u>165,687</u>

Less Amounts Not Available To Be Used Within One Year:

Net Assets With Donor Restrictions	(55,914)
Less: Net Assets With Purpose Restrictions To Be Met	
in Less Than a Year	<u>55,914</u>
	<u>-</u>

Financial Assets Available to Meet General Expenditures

Over the Next Twelve Months	<u>\$ 165,687</u>
-----------------------------	-------------------

As part of End Hunger's liquidity management plan, if there is cash in excess of daily requirements it would be transferred to income-generating accounts when appropriate.

**SUPPLEMENTARY INFORMATION**

**End Hunger In Calvert County, Inc.**

**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

<u>Federal Grantor/Program or Cluster Title</u>	<u>ALN</u>	<u>Pass Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>Department of Housing and Urban Development</b>			
Economic Initiative	14.251	B-23-CP-MD-0696	\$ 978,446
<b>Department of Education</b>			
Culinary Workforce Development	84.215K	S215K230028	<u>107,786</u>
<b>Total</b>			<u><b>\$ 1,086,232</b></u>

**See Accompanying Notes to Schedule of Federal Expenditures**

## **End Hunger In Calvert County, Inc.**

### **Notes to Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2024**

#### **1. BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of End Hunger under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of End Hunger, it is not intended to and does not present the financial position, changes in net assets or cash flows of End Hunger.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

All of End Hunger's federal awards were in form of cash assistance for the year ended December 31, 2024.

End Hunger had no federally funded insurance programs or loan guarantees during the year ended December 31, 2024.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. There were no funds paid to subrecipients.

End Hunger elected to use the 10% de minimis cost rate.

End Hunger had no sub-recipients.

#### **3. RECONCILIATION WITH AUDITED FINANCIAL STATEMENTS**

The following summary reconciles total federal awards with the audited financial statements for the year ended December 31, 2024:

	<u>Amount</u>
Total Federal Awards per the Schedule of Expenditures of Federal Awards	\$ 1,086,232
Add: Non-Federal Awards Contained in the Government Grants	<u>165,329</u>
Total Government Grants Revenue per Audited Financial Statements	<u>\$ 1,251,561</u>



**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors of  
End Hunger In Calvert County, Inc.  
Huntingtown, MD

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of End Hunger In Calvert County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 16, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered End Hunger In Calvert County, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of End Hunger's internal control. Accordingly, we do not express an opinion on the effectiveness of End Hunger's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether End Hunger's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mullin PC".

Bethesda, Maryland  
September 16, 2025

Certified Public Accountants



## **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Directors of  
End Hunger In Calvert County, Inc.  
Huntingtown, MD

### **Report on Compliance for Each Major Federal Program**

#### *Opinion on Each Major Federal Program*

We have audited End Hunger In Calvert County, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of End Hunger's major federal programs for the year ended December 31, 2024. End Hunger's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, End Hunger complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

#### **Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of End Hunger and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of End Hunger's compliance with the compliance requirements referred to above.

#### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to End Hunger's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on End Hunger's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about End Hunger's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 End Hunger's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of End Hunger's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of End Hunger's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in

internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The logo for Mullin PC, featuring the company name in a stylized, handwritten font.

Bethesda, Maryland  
September 16, 2025

Certified Public Accountants

# End Hunger In Calvert County, Inc.

## Schedule of Findings and Questioned Costs For the Year Ended December 31, 2024 Summary of Auditor's Results

### Section I – Summary of Independent Auditor's Results

#### Financial Statements:

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? \_\_\_\_\_ yes,  no
- Significant deficiencies relating to the audit of the financial statements reported in the Independent Auditors' Report

on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*? \_\_\_\_\_ yes,  no

Noncompliance material to financial statements noted? \_\_\_\_\_ yes,  no

#### Federal Awards:

Type of auditors' report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weakness (es) identified? \_\_\_\_\_ yes,  no
- Significant deficiencies relating to the audit of the major

Federal award programs reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance? \_\_\_\_\_ yes,  no

Any audit findings that are required to be reported in accordance with the Uniform Guidance (2 CFR 200.516(a))? \_\_\_\_\_ yes,  no

Identification of major programs:

<u>Federal Grantor/Program or Cluster Title</u>	<u>Assistance Listing</u>	<u>Federal Expenditures</u>
<b>Department of Housing and Urban Development</b> Economic Initiative	14.251	\$ 978,446

Dollar threshold used for distinguishing between Type A and Type B programs: \$750,000.

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes,  no

**End Hunger In Calvert County, Inc.**

**Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2024**

**Section II - Financial Statement Findings**

There were no findings related to the financial statements is required to be reported in accordance with generally accepted government auditing standards (GAGAS).

**Section III - Federal Award Findings and Questioned Costs**

**There were no questioned costs for federal awards** (as defined in section 2 CFR 200.516(a)) that are required to be reported.