Growing Together Bay Area, Inc.
(A California Nonprofit Organization)

Audited Financial Statements & Reports
June 30, 2024

Chavan & Associates, LLP
Certified Public Accountants
16450 Monterey Rd., Suite 5
Morgan Hill, CA 95037

Growing Together Bay Area, Inc.
(A California Nonprofit Organization)

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Growing Together Bay Area, Inc.
Pinole, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Growing Together Bay Area, Inc. (the "Organization"), a California nonprofit organization, which comprise the statement of financial position as of June 30, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 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 (GAAS). 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 the Organization 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

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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 GAAS 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 GAAS, 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 the Organization'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 the Organization'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.

C & A LLP

March 18, 2025
Morgan Hill, California

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Financial Statements

Growing Together Bay Area, Inc,
(A California Nonprofit Organization)
Statement of Financial Position
June 30, 2024

ASSETS		
Cash and cash equivalents	$	371,765
Accounts receivable		167,040
Total Assets	$	538,805
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$	90,000
Accrued payroll expenses		67,217
Total Liabilities		157,217
Net Assets:		
Without donor restrictions:		331,588
With donor restrictions:		
Living schoolyard		50,000
Total Net Assets		381,588
Total Liabilities and Net Assets	$	538,805

The accompanying notes are an integral part of these financial statements.

Growing Together Bay Area, Inc,
(A California Nonprofit Organization)
Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Government grants and contributions	$ 1,529,752	$ -	1,529,752
Grants and contributions	148,167	285,000	433,167
Program service fees	1,080,538	-	1,080,538
Merchandise sales	65,435	-	65,435
Net assets released from restrictions:			
Satisfaction of program restrictions	235,000	(235,000)	-
Total Revenue and Support	3,058,892	50,000	3,108,892
EXPENSES			
Program expenses	2,974,145	-	2,974,145
Management and general expenses	84,343	-	84,343
Fundraising	50,675	-	50,675
Total Expenses	3,109,163	-	3,109,163
Change in Net Assets	(50,271)	50,000	(271)
Beginning Net Assets	381,859	-	381,859
Ending Net Assets	$ 331,588	$ 50,000	$ 381,588

The accompanying notes are an integral part of these financial statements.

Growing Together Bay Area, Inc,
(A California Nonprofit Organization)
Statement of Functional Expenses
For the Year Ended June 30, 2024

Expenses	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	$ 1,733,109	$ 65,570	$ 45,660	$ 1,844,339
Employee benefits and payroll taxes	143,898	5,444	3,791	153,133
Professional services	601,179	11,574	-	612,753
Program supplies	449,513	-	-	449,513
Insurance	20,671	782	545	21,998
Office expenses	3,714	138	98	3,950
Dues and subscription	22,061	835	581	23,477
Total Expenses	$ 2,974,145	$ 84,343	$ 50,675	$ 3,109,163

The accompanying notes are an integral part of these financial statements.

Growing Together Bay Area, Inc,
(A California Nonprofit Organization)
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	$ (271)
Changes in operating assets and liabilities:	
Decrease (increase) in accounts receivable	33,641
Increase (decrease) in accounts payable	90,000
Increase (decrease) in accrued expenses	17,984
Net cash provided by (used for) operating activities	141,354
Net increase (decrease) in cash and cash equivalents	141,354
Cash and cash equivalents - beginning of year	230,411
Cash and cash equivalents - end of year	$ 371,765

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

NOTE 1 – ORGANIZATION

The Growing Together Bay Area, Inc. (the "Organization") is a California 501(c)(3) nonprofit corporation founded in 2013. The purpose of the Organization is to educate the public on gardening and food security, promote social welfare by greening schoolyards, creating edible gardens with youth, and expanding access to fresh food.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) for not-for-profit entities (FASB Topic 958, ASU 2016-14).

Cash and Cash Equivalents

The Organization considers 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.

Investments

When applicable, the Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair Values

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3

Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

The Organization did not have any assets or liabilities subject to the aforementioned level reporting as of June 30, 2024.

Accounts Receivable

Accounts receivable consist primarily of noninterest-bearing amounts due for program support services, unconditional promises to give, and grants receivable. Management determines an allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. As of June 30, 2024, there was no allowance for doubtful accounts related to accounts receivable.

The Organization records unconditional promises to give and grants receivable that are expected to be collected within one year at net realizable value. When applicable, unconditional promises to give and grants expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset.

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 certain grantor) restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor-imposed (or certain grantor-imposed) 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition – Contracts with Customers Accounted for in Accordance with ASC 606

The Organization recognizes revenue when it satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration the Organization expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, the Organization combines it with other performance obligations until a distinct bundle of goods or services exists. Performance obligations are satisfied over time and the related revenue is recognized as services are rendered. The Organization management expects that the period between when the Organization transfers goods and services to their customers and when the customers pay for those goods and services will be one year or less. Therefore, the Organization elected the practical expedient not to adjust the promised amount of consideration for the effects of significant financing component.

Program Service Fees

The Organization enters into agreements with schools, organizations and individuals to provide services that ultimately further the mission of the Organization yet provide reciprocal value to these groups. Services include improving the health and sustainability of school communities by greening schoolyards, providing youth environmental education, planting trees, and increasing fresh food access.

The Organization has a right to consideration in an amount that corresponds directly with the value provided upon the Organization's date of completed performance. Fees are billed as services are provided. Clients simultaneously receive and consume the benefits provided by the Organization's performance obligations as services are provided. Therefore, the Organization recognizes revenues as the services are provided. There were no unsatisfied performance obligations as of June 30, 2024. Revenue related to program fees totaled $1,080,538 for the year ended June 30, 2024 as reflected in the statement of activities.

Merchandise Sales

The Organization generates revenue from the sale of produce harvested from school farms. These sales are made to various customers, including local businesses, institutions, and community members. They represent the direct sale of goods, with revenue categorized at the point when control of the produce transfers to the customer, typically upon delivery or pick-up. Revenue is recorded net of any discounts, returns, or allowances. No additional performance obligations exist beyond the delivery of the produce, and payment terms are generally short-term in nature. Revenue related to merchant revenue totaled $65,435 for the year ended June 30, 2024, as reflected in the statement of activities.

Revenue Recognition Accounted for in Accordance with ASC 605: Topic 958 Not for Profit Entities

Grants

Grants awarded by federal, state or local agencies, or passed through to the Organization from another donor that received similar grants, are generally considered nonreciprocal transactions. Revenue is recognized when qualified expenses are incurred and conditions under the grant agreement are met.

The following summarizes the Organization's grant revenue for the fiscal year ended June 30, 2024:

	Grant Revenue
CAL Fire	$ 889,699
CDFA F2S Track 4	103,213
CDFA SCBG	372,629
City of San Pablo	40,000
State Parks	124,211
Totals	$ 1,529,752

Contributions

The Organization receives support from individuals, corporations, and other nonprofit organizations in support of its mission. Contribution revenue is recognized at fair value on the earlier of the receipt of cash or an unconditional promise to give. From time to time, the Organization receives promises to give that have certain conditions such as meeting specific performance-related barriers or limiting the Organization's discretion on use of the funds. Other contributions may have revocable features to the promises to give. Such conditional promises to give are recognized when the conditions are substantially met.

Contributions of Services and other Nonfinancial Assets

Volunteers may contribute time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization records donated professional services at the respective fair values of the services received, when applicable. No significant contributions of such goods or services were received during the fiscal year ended June 30, 2024.

Advertising Costs

Advertising costs are expensed as incurred. During the year ended June 30, 2024, the Organization had zero advertising costs.

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.

Income Taxes

The Organization is organized as a California nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section

501(c)(3) and Section 23701(d) of the California Code, qualifies for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be private Organizations under IRC Sections 509(a)(1) and (3). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization may be subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. Management has determined that the Organization 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.

Concentrations

For the year ended June 30, 2024, government grants and contributions comprised 49% of total revenue and program service fees comprised 35% of total revenue. The Organization reported 41% of its total revenue from two grants.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization 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

The Organization manages deposit concentration risk by placing cash with financial institutions believed by to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governments and organizations supportive of the Organization's mission. As of June 30, 2024, the carrying amount and bank balance of the Organization's total cash was $371,765, of which $61,352 was not insured by the Federal Depository Insurance Corporation (FDIC). FDIC covers up to $250,000 per bank for each entity.

NOTE 3 – LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	$ 371,765
Grants receivable	167,040
Less:	
Net assets with donor restrictions	(50,000)
Accounts payable	(90,000)
Accrued expenses	(67,217)
Total	$ 331,588

NOTE 4 – ACCOUNTS RECEIVABLE

As of June 30, 2024, accounts receivable was as follows:

		Amount
CAL Fire	$	11,340
TWJ Foundation		50,000
CDFA SCBG		62,422
City of San Pablo		21,757
State Parks		19,325
Miscellaneous		2,196
Total Accounts Receivable	$	167,040

NOTE 5 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from restrictions consisted of the following as of June 30, 2024:

Satisfaction of Purpose Restrictions:		
Living schoolyard	$	235,000

NOTE 6 – SUBSEQUENT EVENTS

Management has evaluated all subsequent events from the statement of financial position date of June 30, 2024, through the date the financial statements were available to be issued, March 18, 2025. There were no material subsequent events that required recognition or additional disclosure in the financial statements.