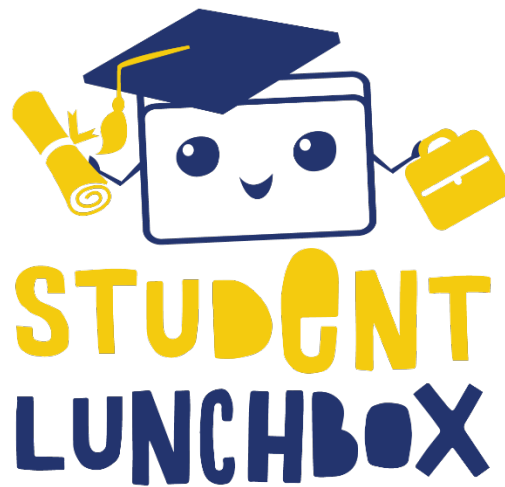


# Management Report

Student LunchBox, Inc

For the period ended December 31, 2021



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# Introduction to Financial Statements

Student LunchBox (SLB) is a newly formed and 501(c)(3) approved, tax-exempt, not-for-profit organization committed to fighting food insecurity among college students. Recent studies indicate that 1 in 3 college students do not have the financial means to sustain their living, leading to food insecurity, directly impacting student graduation rates. Proudly serving students across Los Angeles County colleges and universities, SLB is an essential resource that responds quickly with one of the most critical resources students need: food.

Our approach to fighting campus hunger is simple. We build partnerships with local businesses and distributors, community retailers, local food growers, farmer markets, food banks, and other partners who donate safe and nutritious foods that otherwise would end up in landfills. As a charitable food distributor, our prime responsibility is to support environmental sustainability, help reduce waste and support college students who do not have enough to eat.

Our group is comprised of professionals and students specializing in Human Resources, Finance, Accounting, Operations, Mental Health, Creative Writing, and most importantly, some of us are frontline, essential workers supporting grocery-store operations during such difficult times. It was the SLB's founder's 7-year dream to start a program that supports all college students who do not have enough to eat. During the COVID-19 outbreak, the situation in colleges became seriously dire as many students lost their jobs, campuses were forced to close, leaving students hopeless. This situation inspired SLB's founder, Karlen Nurijanyan to sprout new partnerships with many incredible minds and launch a solution to this unspoken issue, finally challenging the issue of hunger that has been present in college campuses for over a decade.

At Student LunchBox we have one mission: to fight food insecurity among college students. In the wealthiest nation on Earth you may be surprised to know that about half of the students attending colleges and universities do not have the financial means to sustain their living. Too often students are forced to skip meals, take hunger naps, sleep in their cars, or find themselves in the state of urgent poverty and even homelessness. And they do it all in the name of higher education. Not being able to afford food has a dramatic negative impact on students' academic achievement.

We decided this had to change, so with your help and that of our communities we founded Student LunchBox, challenging the issue of hunger that has been rooted on college campuses. Our non-profit organization is committed to fighting hunger and we do so by operating food pantries specifically designed for college students who cannot afford balanced meals. We realize our program by purchasing, soliciting, and distributing foods and other essentials that are indispensable to students' academic success. We built a community of volunteers to spread awareness of this unspoken issue, and now we need supporters such as yourself who believe in our mission to join our fight today. You can help us build a future where students no longer face hunger in pursuit of their higher education dreams.

Student LunchBox was built to help students complete their degrees, build successful careers, and give back to their communities: **One Vision, One Mission, One Lunch at a Time.**

The Company began its food operations in September 2021. The 2021 Financial Statements reflect the financial activity carried out by the Company's operations during the last four months of 2021.

# Student LunchBox, Inc

## Statement of Financial Position As of December 31, 2021

### ASSETS

#### Current Assets

Cash and cash equivalents	\$	3,179.16
Pledge receivables and other receivables		899.51
Prepaid expenses and other assets		-
Total Current Assets		<u>4,078.67</u>

#### Non-Current Assets

Equipment, Net		<u>4,448.02</u>
Total Non-Current Assets		4,448.02

<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u><u>8,526.69</u></u></b>
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### LIABILITIES AND NET ASSETS

#### Liabilities

Accounts payable	\$	-
Accrued expenses		-
Payroll withholding		-
Members' Advances		<u>5,006.83</u>
Total Liabilities		5,006.83

#### Net Assets

Unrestricted (operating)		<u>3,519.86</u>
Total Net Assets		3,519.86

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u><u>8,526.69</u></u></b>
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# Student LunchBox, Inc

## Statement of Activity For the Year Ended December 31, 2021

### REVENUES

Individual donations	\$	12,581.39
Foundation grants		-
In-kind food donations (FMV)		22,068.91
Total Support and Revenue	\$	<b>34,650.30</b>

### EXPENSES

Direct program services		
Cost of in-kind goods donated (FMV)		
California State University, Long Beach - Pantry	\$	14,550.91
California State University, Northridge - WRRRC		3,938.00
West Los Angeles College		3,580.00
Total cost of in-kind goods donated (FMV)		22,068.91
Program expenses		6,220.11
Total direct program services		28,289.02
Management & administrative		2,508.96
Total Expenses	\$	<b>30,797.98</b>

Net Assets at the Beginning of the Year	\$	(332.46)
Change in Net Assets		3,852.32
Net Assets at the End of the Year	\$	<b>3,519.86</b>

# Student LunchBox, Inc

## Statement of Functional Expenses For the Year Ended December 31, 2021

	Program Expenses	Management & General	Total Expenses
Salaries and wages	\$ -	\$ -	\$ -
Payroll taxes	-	-	-
Other employee benefits	-	-	-
Professional service fees	-	262.25	262.25
Advertising and marketing	1,651.54	458.59	2,110.13
Office expenses	1,373.30	1,515.91	2,889.21
IT-related office expenses	-	-	-
Travel	1,194.82	-	1,194.82
Depreciation	404.36	-	404.36
Insurance	181.48	272.22	453.70
Other:			
Taxes & Licenses	25.00	-	25.00
Vehicle expenses	-	-	-
Food donation purchased	1,389.60	-	1,389.60
	\$ 6,220.11	\$ 2,508.96	\$ 8,729.07
Other In-Kind Expenses & Costs:			
Cost of Goods Donated (FMV)	22,068.91	-	22,068.91
	<b>\$ 28,289.02</b>	<b>\$ 2,508.96</b>	<b>\$ 30,797.98</b>

# Student LunchBox, Inc

## Statement of Cash Flows For the Year Ended December 31, 2021

### Cash Flows from Operating Activities

Change in net assets	\$	3,852.32
Adjustment to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Deprecitaion		404.36
Decrease (increase) in operating assets:		
Pledge receivables and other receivables		(899.51)
Prepaid expenses and other assets		-
Increase (decrease) in operating liabilities:		
Accrued liabilities		-
<b>Net cash provided by operating activities</b>	<b>\$</b>	<b>3,357.17</b>

### Cash Flows from Investing Activities

Purchase of equipment		(4,852.38)
<b>Net cash used by investing activities</b>	<b>\$</b>	<b>(4,852.38)</b>

### Cash Flows from Financing Activities

Loans from members' advances		3,006.83
<b>Net cash used by financing activities</b>	<b>\$</b>	<b>3,006.83</b>

<b>Net increase in cash and cash equivalents</b>	<b>\$</b>	<b>1,511.62</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>1,667.54</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$</b>	<b>3,179.16</b>

## Notes to the Financial Statements

### NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Student LunchBox, Inc. (collectively, the “Company”, “SLB”, “Our”, “We”, or “Us”), is based in Los Angeles, California. The company is a registered 501 (c) (3) charitable organization dedicated to sourcing food and academic supplies for post-secondary education students.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The Company generally prepares its financial statement son the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America (“GAAP”).

#### Cash and Cash Equivalents

The Company considers depository accounts to be cash and cash equivalents, including balances carried and held in non-traditional financial institutions including those for the purpose of facilitating the receipt and collection of monetary donations the Company.

The Company maintains cash deposits with financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.00 per financial institution. As of the issue date of the current financial statements on December 31, 2021, SLB held cash deposits balances in financial institutions within insurable limits, deeming low or non-existent risk to such balances.

#### Assets and Liabilities

The Company has identified current receivables categorized as Collectible Balances based on whether we expect to convert the receivable balance into a cash deposit within a period of twelve (12) months or less as of the Statement of Financial Position (Balance Sheet) date. Collectible Balances represent monetary and non-monetary donations received through non-financial institutions, are considered to be “in transit”, and may not be considered cash deposits. As of the date of the current financial statements for the twelve months ended December 31, 2021 show a Collectible Balance of \$899.51 representing \$750.00 in store Gift Cards received, and \$149.51 in donations received in a non-financial institution (Stripe, Inc.).

In addition, SLB recognizes Equipment balances of \$4,852.38 corresponding to durable and depreciable assets acquired and held by the Company for its use and support of operations. These assets are shown in their gross cost on the current financial statements, and will be shown net of depreciation on the Company’s 2022 annual financial statements according to applicable guidance.

### NOTE 3 – UNCERTAINTY DUE TO COVID-19



In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) emerged and spread worldwide. On March 11, 2020, the World Health Organization (WHO) characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no material impact to the Company's operations. Future potential impacts may include disruptions or restrictions on the Company's members, partners and volunteers to carry on with their duties and responsibilities. Changes to the operating environment of the Company may increase operating costs and impact the level of its outreach in accordance with its mission. The future effects of these issues are unknown and cannot be reasonably estimated at this time.

#### NOTE 4– NON-CASH ACTIVITIES AND SOCIAL RESPONSIBILITY

In addition to accounting for monetary donations directly impacting the financial reporting and operations of the Company, SLB also receives in-kind donations to support its mission in the form of foods and academic supplies. Total recovered and donated food was \$22,068.91 for the 2021 calendar year. The donated food is recorded in the financial statement as a non-cash contribution and as an expense (SLB's produce donation to partner pantries) at the estimated average fair value of one pound of donated food product at the national level of \$1.79 for 2021. These values are based on a 2020 study performed by Feeding America. A detail of the fair value revenue of in-kind contributions for the year ended 2021 is as follows:

School Name	Food Provided (Lbs)	Fair Value (\$ US)
West Los Angeles College	2,000	\$ 3,580.00
California State University, Long Beach	8,129	\$ 14,550.91
California State University, Northridge - Women's Research & Resource Center	2,200	\$ 3,938.00
<b>Total</b>	<b>12,329</b>	<b>\$ 22,068.91</b>

SLB received a total of 12,329 pounds of food consisting of a mix of fresh produce and packaged food products. Most of the food products obtained are the result of the combined efforts between SLB and other community organizers dedicated to rescuing salvable produce that otherwise may end up in landfills. We estimated that as of the twelve months of 2021, we have provided an approximate 10,270 meals. Furthermore, as a Company committed to sustainability and social responsibility, the combined efforts have resulted in a proportionate reduction of CO2e emissions estimated at 15 tons ppmv as well as water usage savings of 1.5 million gallons.

#### NOTE 5 – SUBSEQUENT EVENTS

The Company has further evaluated subsequent events occurring through March 18, 2022, the date that the financial statements were available to be issued, and identified no subsequent events requiring recognition or disclosure other than those already discussed previously.