

# Financial Statements

Lasagna Love, Inc.  
(a nonprofit organization)  
Year Ended December 31, 2020



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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Lasagna Love, Inc.  
Williamstown, Massachusetts

We have reviewed the accompanying financial statements of Lasagna Love, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

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

### Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Lasagna Love, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

### Accountant's Conclusion

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

*Harris CPAs*

Meridian, Idaho  
February 9, 2022



**LASAGNA LOVE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2020**

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**ASSETS**

**Current Assets**

Cash and cash equivalents \$ 85,483

Total Assets \$ 85,483

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Related party payable \$ 11,554

Credit card payable 11,312

Total Liabilities 22,866

**Net Assets**

Without donor restrictions 62,617

Total Liabilities and Net Assets \$ 85,483

See accompanying notes and independent accountants' review report.

**LASAGNA LOVE, INC.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2020**

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	<b><u>Without Donor Restrictions</u></b>
<b>Revenues and Other Support</b>	
Contributions	\$ 74,517
In-kind donations	282,160
Sales, net cost of sales	<u>2,447</u>
Total Revenue and Other Support	359,124
<b>Expenses</b>	
Program Services	289,052
Supporting Services	
Administration	7,383
Fundraising	<u>72</u>
Total Supporting Services	7,455
Total Expenses	<u>296,507</u>
Change in Net Assets	<u>62,617</u>
<b>Net Assets</b>	
Beginning of Year	<u>0</u>
End of Year	<u>\$ 62,617</u>

See accompanying notes and independent accountants' review report.

**LASAGNA LOVE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2020**

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	<u>Program</u>	<u>Support Services</u>		<u>Total</u>
		<u>Administrative</u>	<u>Fundraising</u>	
In-kind goods	\$ 282,160	\$	\$	\$ 282,160
Office expense	1,403	4,385		5,788
Information technology	1,603			1,603
Insurance		775		775
Advertising	291	416		707
Professional fees		126		126
Other expenses	<u>3,595</u>	<u>1,681</u>	<u>72</u>	<u>5,348</u>
Total Expenses	<u>\$ 289,052</u>	<u>\$ 7,383</u>	<u>\$ 72</u>	<u>\$ 296,507</u>

See accompanying notes and independent accountants' review report.

**LASAGNA LOVE, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2020**

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**Cash Flow From Operating Activities**

Change in net assets	\$	62,617
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Changes in operating assets and liabilities:		
Related party payable		11,554
Credit card payable		<u>11,312</u>
Net Cash Provided (Used) by Operating Activities		<u>85,483</u>

**Cash and Cash Equivalents**

Beginning of Year		<u>0</u>
End of Year	\$	<u>85,483</u>

See accompanying notes and independent accountants' review report.

# **LASAGNA LOVE, INC.**

## **NOTES TO FINANCIAL STATEMENTS**

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### **Note A – Summary of Significant Accounting Policies**

#### *Nature of Organization*

Lasagna Love, Inc., (the Organization) is a Massachusetts nonprofit corporation. The specific purpose of the organization is to connect people in communities through cooking and delivering meals to those in need. Lasagna Love Inc. started in September of 2020 due to the need in the community to help out moms during the pandemic. It has since turned into an international movement; serving all 50 states with over 20,000 volunteers.

#### *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### *Basis of Presentation*

The Organization reports net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net asset with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

#### *Cash and Cash Equivalents*

The Organization considers all short-term investments purchased with maturity of three months or less to be cash equivalents.

#### *Concentration of Credit Risk and Income*

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and investments. Accounts at these financial institutions are insured by the Federal Deposit Insurance Corporation for up to \$250,000. At December 31, 2020 the Organization's cash balance was fully insured.

#### *In-kind Contributions*

The Organization receives in-kind contributions consisting of food products. In-kind contributions are recognized as revenue when received and as expenditures when the resources are consumed.



**LASAGNA LOVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note A – Summary of Significant Accounting Policies (Continued)**

*Fair Value*

The Organization uses fair value reporting for financial assets and liabilities. A hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established, prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short term, highly liquid nature.

*Functional Allocation of Expenses*

The costs of providing the program have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are office expense based on the use of office supplies for program services. Advertising is allocated based on the expense specifically allocated for the program. General and administrative expenses include any overhead costs incurred for the overall support and direction of the Organization.

*Income Taxes*

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

*Uncertain Tax Positions*

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, the Organization 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 that position. 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 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2020. The Organization files Form 990 in the U.S. federal jurisdiction.

**LASAGNA LOVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note A – Summary of Significant Accounting Policies (Continued)**

*Presentation of Certain Taxes*

The Organization collects various taxes from customers and remits these amounts to applicable taxing authorities. The Organization’s accounting policy is to exclude these taxes from income and program expenses.

*Subsequent Events*

The Organization has evaluated subsequent events through February 9, 2022 which is the date the financial statements were available to be issued.

**Note B – Liquidity and Availability of Resources**

The Organization’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ <u>85,483</u>
Total financial assets available within one year	\$ <u><u>85,483</u></u>

As part of the Organization’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. At December 31, 2020, all net assets were without donor restrictions.

**Note C – Related Parties**

Lasagna Love Inc. received funds for startup costs from a Company owned by the founder. The amount is due when the Organization has the appropriate cash flow to begin payments. As of December 31, 2020, the amount due to the related party was \$11,561.