

**MEALS ON WHEELS WEST**  
(A Nonprofit California Corporation)

---

**FINANCIAL STATEMENTS**

June 30, 2021 and 2020



**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**T A B L E O F C O N T E N T S**

---

	<b>Page(s)</b>
Independent Auditors' Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6–13

## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Meals on Wheels West  
Santa Monica, California

We have audited the accompanying financial statements of Meals on Wheels West (a nonprofit California corporation), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Meals on Wheels West as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*BPM LLP*

Long Beach, California  
March 16, 2022

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**STATEMENTS OF FINANCIAL POSITION**  
As of June 30, 2021 and 2020

	2021	2020
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 543,245	\$ 585,057
Investments, at fair value	1,207,764	571,288
Contributions receivable	99,929	68,099
Meal fees receivable	9,189	12,330
Prepaid expenses and other current assets	47,664	18,373
Total current assets	1,907,791	1,255,147
Property and equipment, net	8,281	8,784
Total assets	\$ 1,916,072	\$ 1,263,931
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 78,719	\$ 38,946
Note payable, PPP loan	72,590	72,590
Total current liabilities	151,309	111,536
Total liabilities	151,309	111,536
Commitments and contingencies		
Net assets:		
Without donor restrictions	1,652,687	1,088,764
With donor restrictions	112,076	63,631
Total net assets	1,764,763	1,152,395
Total liabilities and net assets	\$ 1,916,072	\$ 1,263,931

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**STATEMENTS OF ACTIVITIES**

For the years ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
	Public support and revenue:					
Public support:						
Contributions	\$ 1,325,624	\$ 73,958	\$ 1,399,582	\$ 1,236,667	\$ 40,000	\$ 1,276,667
Government grants	234,576	-	234,576	184,807	-	184,807
In-kind contributed meals	60,447	-	60,447	50,188	-	50,188
Fundraising events	26,102	-	26,102	36,816	-	36,816
Net assets released from program restrictions	25,513	(25,513)	-	36,756	(36,756)	-
<b>Total public support</b>	<b>1,672,262</b>	<b>48,445</b>	<b>1,720,707</b>	<b>1,545,234</b>	<b>3,244</b>	<b>1,548,478</b>
Revenue:						
Meal fees	65,125	-	65,125	64,463	-	64,463
Program service funding	315,000	-	315,000	-	-	-
Investment income, net	199,883	-	199,883	24,681	-	24,681
<b>Total revenue</b>	<b>580,008</b>	<b>-</b>	<b>580,008</b>	<b>89,144</b>	<b>-</b>	<b>89,144</b>
<b>Total public support and revenue</b>	<b>2,252,270</b>	<b>48,445</b>	<b>2,300,715</b>	<b>1,634,378</b>	<b>3,244</b>	<b>1,637,622</b>
Expenses:						
Program services	1,389,778	-	1,389,778	1,008,646	-	1,008,646
Management and general	85,225	-	85,225	78,865	-	78,865
Fundraising	213,344	-	213,344	195,654	-	195,654
<b>Total expenses</b>	<b>1,688,347</b>	<b>-</b>	<b>1,688,347</b>	<b>1,283,165</b>	<b>-</b>	<b>1,283,165</b>
<b>Change in net assets</b>	<b>563,923</b>	<b>48,445</b>	<b>612,368</b>	<b>351,213</b>	<b>3,244</b>	<b>354,457</b>
Net assets, beginning of year	1,088,764	63,631	1,152,395	737,551	60,387	797,938
<b>Net assets, end of year</b>	<b>\$ 1,652,687</b>	<b>\$ 112,076</b>	<b>\$ 1,764,763</b>	<b>\$ 1,088,764</b>	<b>\$ 63,631</b>	<b>\$ 1,152,395</b>

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**STATEMENTS OF FUNCTIONAL EXPENSES**

For the years ended June 30, 2021 and 2020

	2021				2020			
	Program Services	Management and General	Fund Development	Total	Program Services	Management and General	Fund Development	Total
Personnel expenses:								
Salaries	\$ 407,713	\$ 26,109	\$ 68,115	\$ 501,937	\$ 303,538	\$ 24,960	\$ 52,366	\$ 380,864
Payroll taxes	33,954	2,174	5,673	41,801	24,750	2,035	4,270	31,055
Employee benefits	7,394	473	1,236	9,103	13,801	1,135	2,381	17,317
Total personnel expenses	<u>449,061</u>	<u>28,756</u>	<u>75,024</u>	<u>552,841</u>	<u>342,089</u>	<u>28,130</u>	<u>59,017</u>	<u>429,236</u>
Non-personnel expenses:								
Meal costs	717,003	-	-	717,003	540,566	-	-	540,566
Advertising and promotion	106,875	-	-	106,875	27,845	-	-	27,845
Direct mail	-	-	60,201	60,201	-	-	59,074	59,074
Office expense	40,645	2,615	6,820	50,080	32,461	2,669	5,601	40,731
Occupancy	22,353	22,352	-	44,705	21,824	21,824	-	43,648
Consulting fees	-	-	38,400	38,400	-	-	38,400	38,400
Special events other costs	-	-	31,238	31,238	-	-	32,124	32,124
Covid-19 expenses	27,705	-	-	27,705	20,474	-	-	20,474
Professional fees	253	24,288	-	24,541	-	19,452	-	19,452
Insurance	14,299	6,128	-	20,427	13,587	5,823	-	19,410
Telephone	5,837	730	730	7,297	4,301	538	538	5,377
Depreciation and amortization	4,107	263	686	5,056	3,057	251	528	3,836
Travel	1,162	74	195	1,431	1,265	104	218	1,587
Other	478	19	50	547	1,177	74	154	1,405
Total non-personnel expenses	<u>940,717</u>	<u>56,469</u>	<u>138,320</u>	<u>1,135,506</u>	<u>666,557</u>	<u>50,735</u>	<u>136,637</u>	<u>853,929</u>
Total expenses	<u>\$ 1,389,778</u>	<u>\$ 85,225</u>	<u>\$ 213,344</u>	<u>\$ 1,688,347</u>	<u>\$ 1,008,646</u>	<u>\$ 78,865</u>	<u>\$ 195,654</u>	<u>\$ 1,283,165</u>

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**STATEMENTS OF CASH FLOWS**

For the years ended June 30, 2021 and 2020

	2021	2020
Operating activities:		
Change in net assets	\$ 612,368	\$ 354,457
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	503	3,836
Contributions of investment securities	(17,478)	-
Realized and unrealized gains in fair value of investments	(191,704)	(24,028)
(Increase) decrease in assets:		
Contributions receivable	(31,830)	(11,210)
Meal fees receivable	3,141	6,781
Prepaid expenses	(29,291)	1,055
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	39,773	(12,459)
Net cash provided by operating activities	385,482	318,432
Investing activities:		
Purchases of investments	(427,294)	-
Acquisition of property and equipment	-	(2,800)
Net cash used in investing activities	(427,294)	(2,800)
Financing activities:		
Funds received on the PPP loan	-	72,590
Net cash provided by financing activities	-	72,590
Net change in cash and cash equivalents	(41,812)	388,222
Cash and cash equivalents, beginning of the year	585,057	196,835
Cash and cash equivalents, end of the year	\$ 543,245	\$ 585,057

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2021 and 2020

---

**1. Purpose and Activities**

Meals on Wheels West (the “Organization”) is a California nonprofit public benefit corporation formed in April 1974. The Organization’s purpose is to nourish and enrich the lives of the home-bound by delivering healthy meals and services in the Santa Monica, Venice, Malibu, Pacific Palisades, and Topanga areas of Southern California.

**2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Financial Accounting Standards Board (“FASB”) has established the FASB Accounting Standards Codification (“ASC”) as the sole source of authoritative accounting to be applied by nongovernmental entities in preparation of financial statements in conformity with GAAP.

***Net Assets***

In accordance with ASC 958-205, *Not-for-Profit Entities - Presentation of Financial Statements*, the Organization’s net assets, revenues, gains, expenses, 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 at the discretion of the Board of Directors (the “Board”) and/or management for general operating purposes and subject to donor restrictions. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.

**Net assets with donor restrictions:** Net assets subject to donor-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 those resources be maintained in perpetuity. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been accomplished, or both. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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 these estimates and assumptions, and such differences may be material to the financial statements.



**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

---

**2. Summary of Significant Accounting Policies, continued**

***Fair Value of Financial Instruments***

The carrying amounts of financial instruments including cash and cash equivalents, contributions and meal fees receivables, accounts payable and accrued expenses approximate fair values because of the relatively short maturity of these instruments.

***Revenue Recognition***

Effective for fiscal year ended June 30, 2021, the Organization adopted ASC Topic 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing and measuring revenue from contracts with customers. Pursuant to ASC Topic 606, revenue is recognized to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The adoption of ASC Topic 606 did not result in any significant changes in the way the Organization recognizes revenue. Revenue from the sale of meals is recognized at the time the meals are delivered to customers and collection is reasonably assured.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

***Contributions***

In accordance with ASC 958-605, *Not-for-Profit Entities - Revenue Recognition*, unconditional promises to give are recorded as contributions based on their fair value when the underlying promises are received, based on management's estimate of the present value of future cash flows expected to be received by the Organization. Subsequent changes in these estimates are recorded as an adjustment to the allowance for uncollectible promises to give or recognized as contribution revenue.

Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. A contribution is conditional on the basis of whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of promisor's obligation to transfer assets. When such barriers are overcome and therefore a contribution has been deemed unconditional, the Organization considers whether the contribution is restricted on the basis of the specific donor-imposed restriction.

***Donated Meals and Services***

The Organization records as support and revenue the value of donated food at its estimated fair value at the time of receipt. Donated services are only recognized as support and revenue if they require specialized skills and would typically need to be purchased by the Organization, if not provided by donation. Accordingly, pursuant to GAAP, no amounts have been reported in the financial statements for the value of donated services to the Organization as they do not meet the criteria for recognition. Nevertheless, a substantial number of volunteers donated significant amounts of time performing meal deliveries for the Organization.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

---

**2. Summary of Significant Accounting Policies, continued**

***Cash and Cash Equivalents***

For purposes of the statement of financial position and the statement of cash flows, the Organization considers all highly liquid investments purchased with an initial maturity of three months or less at the date of purchase to be cash equivalents.

***Investments and Fair Value***

The Organization has an undivided interest in a pool of marketable debt and equity securities that is managed by an outside custodian. This pool of marketable debt and equity securities is stated at fair value based on quoted market prices within active markets.

Purchases and sales of investments are recorded on a trade-date basis. Interest and dividend income are recorded when earned. Realized gains and losses are recorded as the difference between historical cost and fair value when an investment is sold. Unrealized gains and losses are recorded for the change in the fair value of investments. All gains and investment income are without donor restrictions.

The Organization applies FASB ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements.

The standard describes three levels of inputs that may be used to measure fair value:

*Level 1* – Quoted prices in active markets for identical assets or liabilities.

*Level 2* – Observable inputs other than Level 1 prices, such as quoted prices for similar assets and liabilities, quoted prices in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the years ending June 30, 2021 and 2020.

***Contributions Receivable***

Contributions receivable are stated at net realizable value. Management believes that all outstanding contributions and other receivables are fully collectible based on their existing terms and due within one year. Accordingly, an allowance for doubtful accounts has not been recorded.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

---

**2. Summary of Significant Accounting Policies, continued**

***Property and Equipment***

The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Property and equipment are stated at cost if purchased, and at fair value if donated to the Organization. Property and equipment is depreciated using the straight-line method over the estimated useful lives of assets, ranging from three to five years. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated useful life of the respective asset or the life of the lease.

***Income Taxes***

Meals on Wheels West is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from California state franchise taxes under Section 23701(d) of the California Revenue and Taxation Code. Unrelated business income, as defined by Section 509(a)(1) of the Internal Revenue Code, is subject to federal income tax. However, the Organization does not believe that during the years ended June 30, 2021 and 2020, it had any net unrelated business income and accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Organization follows the guidance of FASB ASC 740, *Accounting for Income Taxes*, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

***Concentration of Credit Risk***

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, cash equivalents, investments and receivables. The Organization's investment policy is intended to limit its exposure to credit risk. The Organization maintains its cash balances in the form of bank demand deposits and money market accounts with major financial institutions, including securities brokerage firms, which management has determined to be credit worthy. At times, the Organization maintains bank balances in excess of federally insured limits. The Organization has no significant financial instruments with off-balance sheet risk of accounting loss.

***Functional Expense Allocations***

The costs of providing programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated. Natural expenses attributable to more than one functional expense category are allocated using a time and effort cost allocation technique.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

---

**2. Summary of Significant Accounting Policies, continued**

***New Accounting Standards Not Yet Adopted***

In February 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-02, *Leases (Topic 842)*, to improve financial reporting of leasing transactions. The ASU will affect all entities that lease assets such as real estate, transportation vehicles, and equipment. Under the new guidance, a lessee will be required to report an intangible asset and corresponding liability for any lease obligations with lease terms of more than 12 months. ASU 2016-02 requires a lessee to recognize, measure, and present the expenses and cash flows arising from a lease transaction based on its classification as a finance or operating lease. Furthermore, ASU 2016-02 requires both operating and finance leases to be reported on the balance sheet as a lease obligation. ASU 2016-02 will take effect for fiscal years beginning after December 15, 2021 with early adoption permitted. Management is currently evaluating the impact of the pending adoption of ASU 2016-02 on these financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. ASU No. 2020-07 is required to be applied retrospectively for annual periods beginning after June 15, 2021 and interim periods within fiscal years beginning after June 15, 2022 with early adoption permitted. Management is currently evaluating the impact of the pending adoption of ASU 2020-07 on these financial statements.

**3. Liquidity and Availability of Financial Assets**

The following summarizes the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed purpose restrictions within one year of the balance sheet date. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet dates, are comprised of the following for the year ended June 30:

	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 543,245	\$ 585,057
Grants and meal fees receivable	109,118	80,429
Investments, at fair value	1,207,764	571,288
Total financial assets available to meet general expenditures over the next twelve months	\$ 1,860,127	\$ 1,236,774

At June 30, 2021 and 2020, the Organization had \$1,895,127 and \$1,236,774, respectively, of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures.

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. The Organization reviews its funding levels on an on-going basis to ensure they are adequate to meet its obligations.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**4. Investments**

Investments in an undivided pool of marketable debt and equity securities at fair value consisted of the following at June 30, 2021 and 2020:

	June 30, 2021			
	Level 1	Level 2	Level 3	Total
Fixed income	\$ 450,511	\$ -	\$ -	\$ 450,511
Equities	757,253	-	-	757,253
Total	\$ 1,207,764	\$ -	\$ -	\$ 1,207,764
	June 30, 2020			
	Level 1	Level 2	Level 3	Total
Fixed income	\$ 216,717	\$ -	\$ -	\$ 216,717
Equities	354,571	-	-	354,571
Total	\$ 571,288	\$ -	\$ -	\$ 571,288

Investment and other income, net of investment management fees consist of the following at June 30, 2021 and 2020:

	2021	2020
Unrealized gain	\$ 129,796	\$ 2,357
Interest and dividends	18,898	13,476
Realized gain	61,908	15,281
Investment fees	(10,719)	(6,433)
Investment income, net	\$ 199,883	\$ 24,681

**5. Property and Equipment**

As of June 30, 2021 and 2020, property and equipment consisted of the following:

	2021	2020
Office furniture and equipment	\$ 39,827	\$ 35,274
Leasehold improvements	4,808	4,808
Subtotal	44,635	40,082
Less: accumulated depreciation	(36,354)	(31,298)
Property and equipment, net	\$ 8,281	\$ 8,784

Depreciation and amortization expense totaled \$5,056 and \$3,836 for the years ended June 30, 2021 and 2020, respectively.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**6. Paycheck Protection Program Loan**

In April 2020, the Organization borrowed \$72,590 under the Paycheck Protection Program (“PPP”) loan program administered by the Small Business Administration (“SBA”). Under the terms of the CARES Act, PPP loan recipients can apply for, and the SBA can grant forgiveness of all or a portion of loans made under the PPP if the recipients use the PPP loan proceeds for eligible purposes, as set forth in the CARES Act. Subsequent to June 30, 2021, the Organization applied for and received \$72,590 in PPP loan forgiveness in August 2021, in accordance with the terms of the CARES Act.

**7. Net Assets with Donor Restrictions**

Net assets with donor restrictions were available for the following purposes at June 30, 2021 and 2020:

	2021	2020
Subject to expenditure for specified purposes:		
Community Connections: Health & Wellness	\$ 67,083	\$ -
Pet Program	38,118	48,214
Senior Nutrition Program	6,875	-
Veterans Program	-	15,417
Total net assets with donor restrictions	\$ 112,076	\$ 63,631

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors during the years ended June 30, 2021 and 2020 were as follows:

	2021	2020
Purpose restrictions accomplished:		
Pet Program	\$ 10,096	\$ 10,857
Veterans Program	15,417	25,899
Total	\$ 25,513	\$ 36,756

**8. Commitments and Contingencies**

***Commitments***

The Organization leases office space in Santa Monica, California, under a non-cancellable operating lease. On May 8, 2020, the Organization extended the terms of the lease for an additional five years running through October 31, 2025.

**MEALS ON WHEELS WEST**  
**(A Nonprofit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

---

**8. Commitments and Contingencies, continued**

*Commitments*, continued

Future minimum lease payments at June 30, 2021 are as follows:

	<u>Amount</u>
For the year ending June 30:	
2022	\$ 30,432
2023	30,432
2024	30,432
2025	30,432
Thereafter	<u>12,680</u>
	<u>\$ 134,408</u>

Total rent expense for the years ended June 30, 2021 and 2020 amounted to approximately \$44,705 and \$43,648, respectively.

***Risks and Uncertainties***

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) a pandemic which remains a global concern. Governments, both locally and nationally, have instituted varying levels of actions to contain the virus's spread. The Organization to date, has not been adversely affected by the pandemic as it has been successful in obtaining vaccine program funds, as well as other contracts and grants. While the ultimate impact of COVID-19 on the Organization's revenue and grants is unknown, the Organization continues to review its program activities and will make the necessary modifications of its operating plan and programs based on the current health concerns as a result of the pandemic.

***Concentrations***

As of June 30, 2021 and 2020, approximately 65% and 80% of contributions receivable balances were due from one donor, respectively. During the year ended June 30, 2021, the Organization received approximately 18% of its public support from one donor.

**9. Subsequent Events**

Subsequent events have been evaluated through March 16, 2022, which is the date the financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2021 that required recognition or disclosure in such financial statements other than the following:

In August 2021, the Organization received full forgiveness on its loan received under the Paycheck Protection Program in April 2020 (Note 6).