




Lowcountry Food Bank, Inc.

Independent Auditor's Report and Financial Statements

December 31, 2023 and 2022



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Independent Auditor's Report

Board of Directors
Lowcountry Food Bank, Inc.
Charleston, South Carolina

Opinion

We have audited the financial statements of Lowcountry Food Bank, Inc. (the "Organization") which comprise the statements of financial position as of December 31, 2023 and 2022 and the related statements of activities, functional expenses and cash flows for the years 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 Lowcountry Food Bank, Inc. as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in the *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 Lowcountry Food Bank, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Lowcountry Food Bank, Inc.'s ability to continue as a going concern within one year after the date that these 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 GAAS 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 GAAS 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 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 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.

Supplemental Information

Our audits were 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 the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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 standards generally accepted in the United States of America. In our opinion, the information 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 included our report dated July 19, 2024 on our consideration of Lowcountry Food Bank, Inc.'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 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 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 Lowcountry Food Bank, Inc.'s internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Greenville, South Carolina
July 19, 2024**

Lowcountry Food Bank, Inc.
Statements of Financial Position
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Assets		
Cash and cash equivalents	\$ 10,992,616	\$ 10,440,277
Inventories	2,246,387	1,749,130
Accounts receivable	247,156	190,124
Grants receivable	1,857,145	280,547
Prepaid expenses and other current assets	379,287	338,333
Investments	8,425,397	8,021,990
Interest in net assets of Foundation	1,782,480	1,193,549
Operating lease right-of-use assets	652,795	119,954
Property and equipment, net	7,093,774	6,442,441
	<u>33,677,037</u>	<u>28,776,345</u>
Total assets	<u>\$ 33,677,037</u>	<u>\$ 28,776,345</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 1,197,453	\$ 149,574
Accrued expenses	627,331	501,781
Deferred revenue	63,723	158,396
Operating lease liability	652,795	119,460
	<u>2,541,302</u>	<u>929,211</u>
Total liabilities	<u>2,541,302</u>	<u>929,211</u>
Net Assets		
Without donor restrictions	29,768,542	27,255,398
With donor restrictions	1,367,193	591,736
	<u>31,135,735</u>	<u>27,847,134</u>
Total net assets	<u>31,135,735</u>	<u>27,847,134</u>
Total liabilities and net assets	<u>\$ 33,677,037</u>	<u>\$ 28,776,345</u>

Lowcountry Food Bank, Inc.
Statement of Activities
Year Ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Donated inventory	\$ 68,050,042	\$ -	\$ 68,050,042
Shared maintenance revenue	1,789,165	-	1,789,165
Grants and contributions	9,867,799	2,608,818	12,476,617
United Way affiliates support	36,319	-	36,319
Gifts in kind	509,928	-	509,928
Special events	1,868,337	-	1,868,337
Program fees	2,129,344	-	2,129,344
Rental income	191,643	-	191,643
Miscellaneous income	19,456	-	19,456
Interest income	129,171	-	129,171
Change in interest in net assets of the Foundation	588,931	-	588,931
Net investment income	403,407	-	403,407
Gain on sale of assets	68,311	-	68,311
	<u>85,651,853</u>	<u>2,608,818</u>	<u>88,260,671</u>
Net Assets Released From Restrictions	<u>1,833,361</u>	<u>(1,833,361)</u>	<u>-</u>
	<u>87,485,214</u>	<u>775,457</u>	<u>88,260,671</u>
Expenses and Losses			
Food distribution	81,548,871	-	81,548,871
Management and general	1,800,552	-	1,800,552
Fundraising	1,622,647	-	1,622,647
	<u>84,972,070</u>	<u>-</u>	<u>84,972,070</u>
Change in Net Assets	<u>2,513,144</u>	<u>775,457</u>	<u>3,288,601</u>
Net Assets, Beginning of Year	<u>27,255,398</u>	<u>591,736</u>	<u>27,847,134</u>
Net Assets, End of Year	<u>\$ 29,768,542</u>	<u>\$ 1,367,193</u>	<u>\$ 31,135,735</u>

Lowcountry Food Bank, Inc.
Statement of Activities
Year Ended December 31, 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Donated inventory	\$ 60,381,731	\$ -	\$ 60,381,731
Shared maintenance revenue	1,547,998	-	1,547,998
Grants and contributions	7,807,536	2,705,925	10,513,461
United Way affiliates support	46,578	-	46,578
Gifts in kind	141,191	-	141,191
Special events	2,025,164	-	2,025,164
Program fees	1,928,682	-	1,928,682
Rental income	184,573	-	184,573
Miscellaneous income	2,298	-	2,298
Interest income	13,563	-	13,563
Change in interest in net assets of the Foundation	82,622	-	82,622
Net investment income	21,990	-	21,990
Gain on sale of assets	49,001	-	49,001
	<u>74,232,927</u>	<u>2,705,925</u>	<u>76,938,852</u>
Net Assets Released From Restrictions	<u>3,128,419</u>	<u>(3,128,419)</u>	<u>-</u>
	<u>77,361,346</u>	<u>(422,494)</u>	<u>76,938,852</u>
Expenses and Losses			
Food distribution	71,446,469	-	71,446,469
Management and general	1,574,255	-	1,574,255
Fundraising	1,701,513	-	1,701,513
	<u>74,722,237</u>	<u>-</u>	<u>74,722,237</u>
Change in Net Assets	<u>2,639,109</u>	<u>(422,494)</u>	<u>2,216,615</u>
Net Assets, Beginning of Year	<u>24,616,289</u>	<u>1,014,230</u>	<u>25,630,519</u>
Net Assets, End of Year	<u>\$ 27,255,398</u>	<u>\$ 591,736</u>	<u>\$ 27,847,134</u>

Lowcountry Food Bank, Inc.
Statement of Functional Expenses
Year Ended December 31, 2023

	2023				
	Program Services	Supporting Services			
	Food Distribution	Management and General	Fundraising	Total Supporting Services	Total
Contract services	\$ 210,458	\$ 121,126	\$ -	\$ 121,126	\$ 331,584
Development and marketing	1,191	-	461,273	461,273	462,464
Donated and purchased food distributed	74,634,527	-	-	-	74,634,527
Financial fees	3,746	-	68,672	68,672	72,418
Insurance	380,393	137,226	4,574	141,800	522,193
Miscellaneous	24,819	11,829	3	11,832	36,651
Occupancy	364,785	24,326	-	24,326	389,111
Office expense	32,531	33,579	10,167	43,746	76,277
Professional fees	9,565	78,474	-	78,474	88,039
Program expenses	897,403	-	-	-	897,403
Repairs and maintenance	188,348	-	-	-	188,348
Salaries and related expenses	3,791,636	1,113,890	898,702	2,012,592	5,804,228
Special events and in-kind	49,734	275	169,929	170,204	219,938
Transportation	316,134	-	-	-	316,134
	<u>80,905,270</u>	<u>1,520,725</u>	<u>1,613,320</u>	<u>3,134,045</u>	<u>84,039,315</u>
Total expenses before depreciation and interest					
Depreciation	637,729	277,274	9,242	286,516	924,245
Interest	5,872	2,553	85	2,638	8,510
	<u>643,601</u>	<u>279,827</u>	<u>9,327</u>	<u>289,154</u>	<u>932,755</u>
Total depreciation and interest					
Total expenses	<u>\$ 81,548,871</u>	<u>\$ 1,800,552</u>	<u>\$ 1,622,647</u>	<u>\$ 3,423,199</u>	<u>\$ 84,972,070</u>

Lowcountry Food Bank, Inc.
Statement of Functional Expenses
Year Ended December 31, 2022

	2022				
	Program Services	Supporting Services			
	Food Distribution	Management and General	Fundraising	Total Supporting Services	Total
Contract services	\$ 174,481	\$ 140,812	\$ -	\$ 140,812	\$ 315,293
Development and marketing	1,491	-	613,372	613,372	614,863
Donated and purchased food distributed	64,926,773	-	-	-	64,926,773
Financial fees	2,423	-	70,263	70,263	72,686
Insurance	257,707	74,116	2,471	76,587	334,294
Miscellaneous	32,358	10,309	-	10,309	42,667
Occupancy	307,237	20,326	-	20,326	327,563
Office expense	37,341	36,415	10,315	46,730	84,071
Professional fees	6,358	52,958	-	52,958	59,316
Program expenses	1,155,328	-	-	-	1,155,328
Repairs and maintenance	146,220	-	-	-	146,220
Salaries and related expenses	3,385,380	956,367	794,997	1,751,364	5,136,744
Special events and in-kind	13,534	1,028	200,697	201,725	215,259
Transportation	351,412	-	-	-	351,412
	<u>70,798,043</u>	<u>1,292,331</u>	<u>1,692,115</u>	<u>2,984,446</u>	<u>73,782,489</u>
Total expenses before depreciation and interest					
Depreciation	637,953	277,371	9,246	286,617	924,570
Interest	10,473	4,553	152	4,705	15,178
	<u>648,426</u>	<u>281,924</u>	<u>9,398</u>	<u>291,322</u>	<u>939,748</u>
Total depreciation and interest					
Total expenses	<u>\$ 71,446,469</u>	<u>\$ 1,574,255</u>	<u>\$ 1,701,513</u>	<u>\$ 3,275,768</u>	<u>\$ 74,722,237</u>

Lowcountry Food Bank, Inc.
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 3,288,601	\$ 2,216,615
Adjustments to reconcile the change in net assets to net cash provided by operating activities		
Depreciation	924,245	924,570
Amortization of right-of-use asset	135,490	133,358
Net gain on sale of property and equipment	(68,311)	(49,001)
Donated inventory revenues	(68,050,042)	(60,381,731)
Donated food distribution expenses	67,140,442	59,697,124
Donated property and equipment	(370,000)	-
Unrealized gains on investments	(194,684)	(11,620)
Change in interest in net assets of the Foundation	(588,931)	(82,622)
Changes in operating assets and liabilities:		
Unconditional promises to give	-	69,540
Accounts receivable	(57,032)	(56,493)
Grants receivable	(1,576,598)	(98,769)
Inventories	412,343	378,766
Prepaid expenses and other current assets	(40,954)	5,281
Accounts payable	1,047,879	(444,258)
Foundation payable	-	(16,423)
Accrued expenses	125,550	7,521
Deferred revenue	(94,673)	54,896
Operating lease liability	(134,996)	(133,852)
Net cash provided by operating activities	<u>1,898,329</u>	<u>2,212,902</u>
Investing Activities		
Purchases of property and equipment	(1,209,105)	(583,578)
Proceeds from sale of property and equipment	71,838	85,000
Purchases of investments, net	(208,723)	(8,010,370)
Net cash used by investing activities	<u>(1,345,990)</u>	<u>(8,508,948)</u>
Financing Activities		
Payments on note payable	-	(1,111,698)
Payments on capital lease payable	-	(3,257)
Net cash used by financing activities	<u>-</u>	<u>(1,114,955)</u>
Net increase (decrease) in cash and cash equivalents	552,339	(7,411,001)
Cash and Cash Equivalents, Beginning of Year	<u>10,440,277</u>	<u>17,851,278</u>
Cash and Cash Equivalents, end of Year	<u>\$ 10,992,616</u>	<u>\$ 10,440,277</u>
Supplemental Cash Flow Information		
Cash paid for interest	<u>\$ 8,510</u>	<u>\$ 15,178</u>
Acquisition of buildings through operating lease	<u>\$ 668,331</u>	<u>\$ -</u>

Note 1. Organization and Summary of Significant Accounting Policies

Nature of Activities

Lowcountry Food Bank, Inc. (the "Organization"), a non-profit organization, was incorporated in August 1983. Located in Charleston, Myrtle Beach and Yemassee, South Carolina, the Organization's purpose is food storage and distribution. The mission of the Organization is to gather, store, and distribute food through a network of non-profit agencies, to provide services through a variety of programs, to feed the needy in ten coastal counties of South Carolina, and to serve as an educational resource for hunger and hunger-related issues. The Organization serves as a collecting center for surplus and salvageable food obtained through donations from processors, wholesalers, retailers, and brokers. The food is then distributed to qualifying agencies. The Organization charges a fee called shared maintenance revenue to the agencies and churches benefited in order to recover a portion of the costs associated with food collection.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of results of operations during the reporting period. Actual results could differ from those estimates and assumptions.

Basis of Presentation

The Organization's statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification. The Organization is required to report information regarding its financial position and activities according to two classes of net assets. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Donor-restricted support received is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the Statement of Activities as net assets released from restrictions. The Organization had no permanently restricted net assets at December 31, 2023 and 2022.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of three months or less when purchased.

Accounts and Grants Receivable and Allowance for Doubtful Accounts

Accounts receivable consist primarily of agency maintenance fees for distributed food. Grants receivable consist primarily of amounts due from government agencies. As of December 31, 2023 and 2022, the Organization considers all receivables to be fully collectible; accordingly, no allowance for credit losses has been established. The Organization does not believe there are any other significant concentrations of revenues from any particular agency that would subject it to any significant credit risks in the collection of accounts receivable. In estimating its expected credit losses, the Organization may consider changes in the length of time its receivables have been outstanding, changes in credit ratings for its agencies, requests from agencies to alter payment terms due to financial difficulty, and notices of agencies bankruptcies or agencies entering receivership. If amounts become uncollectible, they will be charged to operations when that determination is made; however, management does not expect these amounts to be material.

Inventories and Donated Food Products

The Organization receives food products governed by the United States Department of Agriculture (USDA) primarily through the USDA's state disbursing agent, the South Carolina Department of Social Services. The food products received through USDA programs are valued using prices determined by the USDA. Other donated food products reflected in the financial statements are valued at a rate per pound, which is determined by management based on the rate per pound provided by Feeding America, the Organization's national affiliate. The donated inventory balance, and associated revenues and expenses, as of and for the years ended December 31, 2023 and 2022 related to Feeding America, have been adjusted to reflect a rate per pound of \$1.93 and \$1.92, respectively.

Donated food products are recorded as revenue and support when received and recorded as expense when disbursed. Food products purchased are recorded at cost and disbursed at the same purchase price, if distinguishable. Certain purchased products are commingled and packaged with donated products; these items are revalued using the Feeding America rate per pound and disbursed at the Feeding America cost. Inventories are valued at the lower of cost, as determined above, or net realizable value.

Investments

The Organization carries investments in fixed income securities with readily determinable fair values at fair value. Unrealized and realized gains and losses are included in the change in net assets without donor restrictions on the accompanying statement of activities.

Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximated fair value at the date of donation. Improvements which materially add to the value of productivity or extend the useful life of assets are capitalized. Expenditures for repairs and maintenance are charged to operations in the year the costs are incurred. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which range from 3 to 39 years.

Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. In the event that facts and circumstances indicate that cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed.

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Operating lease right-of-use assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. The Organization elected the practical expedient to account for nonlease components and the lease components to which they relate as a single lease component for all and to use the risk-free discount rate. Also, the Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term and any variable lease payments are recognized in the period the payments occur.

Grants and Contributions

Contributions are recognized as revenue when they are received. Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Donated Services

Donated services are reported as contributions if the services either: a.) Create or enhance nonfinancial assets, or b.) Require specialized skills, are performed by people with those skills, and would otherwise be purchased. In accordance with accounting standards, donated services of \$53,467 and \$13,775 for the years ended December 31, 2023 and 2022, respectively, were recognized because these services require specialized skills and would otherwise be purchased by the Organization.

Donated Property and Equipment

The Organization has recorded donated property and equipment as support at the estimated fair value at the date of receipt. Such donations are reported as without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. When a donor restriction expires, with donor restrictions are released to without donor restrictions. For the years ended December 31, 2023 and 2022, the Organization had received donated property of \$370,000 and \$-, respectively.

Shared Maintenance Revenue and Expenses

Shared maintenance revenue represents the amount the Organization charges local agencies and churches to recover a portion of the costs associated with food collection and distribution.

The majority of the cost of shared maintenance revenue is related to the value of donated inventory received. Although the expense consists mainly of the value of donated inventory, there are other costs associated with the distribution of the food such as shared maintenance paid to other food banks to obtain the food, transportation of the food, and value-added product purchases.

The cost of food spoilage for the years ended December 31, 2023 and 2022 was \$634,550 and \$431,111, respectively, and is included in food distribution expenses.

Deferred Revenue

Deferred revenue consists of sponsorship and ticket sales received in advance of the events as well as advanced administrative costs from grant funding. The revenue is recognized in the period during which the event is held or the performance obligation is met. Deferred revenue totaled \$63,723 and \$158,396 at December 31, 2023 and 2022, respectively.

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Functional Allocation of Expenses

The costs of providing the various program and activities have been summarized on a functional basis on the Statements of Activities and Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate of the time spent by the individuals in each functional category as well as allocation of expenses based on estimates made by management.

Income Tax Status

The Organization is exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes in the accompanying financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been determined by the Internal Revenue Service not to be a private foundation under Section 509(a)(2).

Management evaluated the Organization's tax positions and concluded that the Organization does not have any significant uncertain tax positions resulting in unrecognized tax obligations or benefits as of December 31, 2023.

Revision of Prior-Year Financial Statements

Certain immaterial revisions have been made to the 2022 financial statements to correct errors related to donated and shared maintenance revenue and food distribution expense. These revisions had no effect on the change in net assets.

Subsequent Events

In June 2024, the Organization entered a transaction which generated New Markets Tax Credits (NMTCs) under Section 45D of the Internal Revenue Code of 1985, as amended (Section 45D). The transaction was initiated by Regions Community Investments, LLC, (Investor Member) who, in exchange for 100% equity ownership, contributed approximately \$2,500,000 to LC Early Branch Investment Fund, LLC (Investment Fund), an entity established for the transaction. The Investment Fund also secured a loan from the Organization for approximately \$5,800,000.

The contributions and loans proceeds to the Investment Fund were used to pay certain transaction fees and the remaining funds were invested in a third-party, SCCLF Sub-CDE IX, LLC (Sub-CDE), an affiliate of South Carolina Community Loan Fund (CDE), as a Qualified Equity Investment (QEI) as described under Section 45D. The Sub-CDE then funded two Qualified Low-Income Community Investment (QLICI) loans totaling \$8,000,000 to Lowcountry Food Bank Property Holdings, Inc., the Qualified Active Low-Income Community Business (QALICB) under Section 45D. The transaction was structured as 30-year debt financing with a 7-year interest only period coinciding with the NMTC compliance period, at the end of which the Organization will have the option to acquire all membership rights of the Investment Fund and forgive the related debt.

The Organization plans to use the loan proceeds to help finance the cost of construction of a new distribution facility in its Southern territory.

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 19, 2024 the date the financial statements were available to be issued.

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 10,992,616	\$ 10,440,277
Accounts receivable	247,156	190,124
Grants receivable	1,857,145	280,547
Investments	<u>8,425,397</u>	<u>8,021,990</u>
	<u>\$ 21,522,314</u>	<u>\$ 18,932,938</u>

Note 3. Inventories

Inventories consist of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Non-USDA commodities	\$ 1,067,463	\$ 1,280,427
USDA commodities	<u>1,178,924</u>	<u>468,703</u>
	<u>\$ 2,246,387</u>	<u>\$ 1,749,130</u>

Note 4. Investments

Investments are stated at fair value and consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
Cash	\$ 121,622	\$ 171,789
Fixed Income	<u>8,303,775</u>	<u>7,850,201</u>
	<u>\$ 8,425,397</u>	<u>\$ 8,021,990</u>

Net investment income is summarized as follows at December 31:

	<u>2023</u>	<u>2022</u>
Unrealized gains	\$ 194,684	\$ 11,620
Interest and dividends	239,505	19,262
Investment fees	<u>(30,782)</u>	<u>(8,892)</u>
Net investment income	<u>\$ 403,407</u>	<u>\$ 21,990</u>

Note 5. Fair Value Disclosures

Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. All assets reported at fair value have been valued using a market approach.

The following tables sets forth by level within the fair value hierarchy the Organization’s assets accounted for at fair value on a recurring basis as of December 31:

	<u>Fair value measurements at December 31, 2023 using:</u>			
	<u>Fair value at December 31, 2023</u>	<u>Quoted prices In active markets for identical assets and liabilities (Level 1 inputs)</u>	<u>Quoted Prices for similar assets and liabilities (Level 2 inputs)</u>	<u>Significant Unobservable inputs (Level 3 inputs)</u>
Assets measured at fair value:				
Fixed income	\$ 8,303,775	\$ 8,303,775	\$ -	\$ -
Total assets	<u>\$ 8,303,775</u>	<u>\$ 8,303,775</u>	<u>\$ -</u>	<u>\$ -</u>

The table above does not include cash of \$121,622 at December 31, 2023.

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

	Fair value at December 31, 2022	Fair value measurements at December 31, 2022 using:		
		Quoted prices In active markets for identical assets and liabilities (Level 1 inputs)	Quoted Prices for similar assets and liabilities (Level 2 inputs)	Significant Unobservable inputs (Level 3 inputs)
Assets measured at fair value:				
Fixed income	\$ 7,850,201	\$ 7,850,201	\$ -	\$ -
Total assets	\$ 7,850,201	\$ 7,850,201	\$ -	\$ -

The table above does not include cash of \$171,789 at December 31, 2022.

Note 6. Property and Equipment, Net

Property and equipment consisted of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Building and improvements	\$ 5,925,148	\$ 5,845,897
Land	1,570,000	1,200,000
Warehouse equipment	2,532,975	2,385,280
Transportation equipment	2,741,529	2,227,953
Furniture and office equipment	483,545	425,813
Leasehold improvements	128,207	118,889
Software	<u>247,960</u>	<u>247,960</u>
	13,629,364	12,451,792
Less accumulated depreciation	<u>(6,856,036)</u>	<u>(6,030,001)</u>
	6,773,328	6,421,791
Assets not yet placed in service	47,223	-
Construction in progress	<u>273,223</u>	<u>20,650</u>
Property and equipment, net	<u>\$ 7,093,774</u>	<u>\$ 6,442,441</u>

Depreciation expense totaled \$924,245 and \$924,570 for the years ended December 31, 2023 and 2022, respectively.

As of December 5, 2023, the Organization signed agreements for approximately \$6,600,000 for construction of the new facility. The construction is expected to be completed in February 2025.

Note 7. Leases

The Organization leases certain office equipment and operating facilities under the terms of non-cancellable operating leases. For leases with terms greater than 12 months, the related right-of-use assets and operating lease liabilities are recorded at the present value of lease payments over the term.

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

The components of lease expense and related classification in the accompanying statement of activities was as follows during the years ended December 31:

	<u>2023</u>	<u>2022</u>
Operating lease cost	\$ 141,282	\$ 134,910

Cash paid for amounts included in the measurement of lease liabilities for the years ended December 31 is as follows:

	<u>2023</u>	<u>2022</u>
Operating cash flows from operating leases	\$ 134,996	\$ 133,852

Right to use assets obtained in exchange for new lease obligations for the years ended December 31 is as follows:

	<u>2023</u>	<u>2022</u>
Right to use assets obtained in exchange for new operating lease obligations	\$ 668,331	\$ -

The following table presents operating lease-related assets and liabilities at December 31:

	<u>2023</u>	<u>2022</u>
Operating leases:		
Right-of-use assets	<u>\$ 652,795</u>	<u>\$ 119,954</u>
Operating lease liabilities	<u>\$ 652,795</u>	<u>\$ 119,460</u>

Operating lease liability maturities are as follows:

2024	\$ 161,306
2025	157,538
2026	139,787
2027	139,783
2028	<u>81,538</u>
Total	679,952
Less: Interest	<u>27,157</u>
Operating lease liability	<u>\$ 652,795</u>

Lowcountry Food Bank, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Other information:

Weighted-average remaining lease term – operating leases	4.43 years	1.69 years
Weighted-average discount rate – operating leases	1.88%	97%

Note 8. Lowcountry Food Bank Endowment Fund

During 2020, the Lowcountry Food Bank Endowment Fund (the “Foundation”) was created to solicit contributions that will be used for the benefit of the Organization. The bylaws of the Foundation state that the Organization is the only entity that will benefit from the Foundation and the two are considered financially interrelated.

The Organization’s interest in the net assets of the Foundation is accounted for in a manner similar to the equity method. Changes in the interest are included in the change in net assets. Transfers of assets between the Foundation and the Organization are recognized as increases or decreases in the interest in the net assets of the Foundation with corresponding decreases or increases in the assets transferred and have no effect on the change in net assets.

The interest in the Foundation recorded by the Organization is approximately \$1,783,000 and \$1,194,000 as of December 31, 2023 and 2022, respectively.

Note 9. Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Feeding programs	\$ 1,367,193	\$ 591,736

Net assets with donor restrictions released from restrictions are as follows for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Feeding programs	\$ 1,833,361	\$ 3,128,419

Note 10. Related Party Transactions

The Organization is affiliated with Feeding America, a national food bank association. Food obtained through Feeding America and affiliated food banks represents approximately 22% and 14% of the total amount of donated food received during 2023 and 2022, respectively. The Organization paid a membership fee to Feeding America of \$6,724 for the years ended December 31, 2023 and 2022, respectively, based on food received. At December 31, 2023 and 2022, the Organization had an outstanding payable due to Feeding America in the amount of \$224,921 and \$13,215, respectively.

Additionally, the Organization is affiliated with Feeding the Carolinas. The Organization paid a membership fee to Feeding the Carolinas of \$9,385 and \$9,115 for the years ended December 31, 2023 and 2022, respectively.

Note 11. Employee Benefit Plan

The Organization sponsors a defined contribution salary deferral plan covering substantially all employees. Under the plan, the Organization matches up to five percent for each eligible employee’s salary. An employee is considered eligible when they are twenty-one years of age and have been with the Organization for one year during which they have completed one thousand hours of service. Contributions to the plan by the Organization for the years ended December 31, 2023 and 2022 were \$185,760 and \$156,347, respectively.

Note 12. Operating Facilities

The Organization subleases office space to tenants-at-will, with monthly rental payments of \$14,258 subject to escalation ranging from 1.5% to 3% and expiring through November 2025. Total rental income recognized for the years ended December 31, 2023 and 2022 were \$191,643 and \$184,573, respectively. As of December 31, 2023 and 2022, the total cost and accumulated depreciation of the facility and improvements of which a portion is leased is approximately \$3,342,000 and \$3,508,000, respectively. Future minimum lease income under these leases is approximately as follows:

2024	\$	108,000
2025		<u>73,000</u>
	\$	<u>181,000</u>

Note 13. Concentration of Credit Risk

The Organization maintains its cash deposit accounts at various financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). At times, the Organization may maintain bank account balances in excess of the FDIC insured limit. The Organization has not experienced losses in such deposit accounts and believes it is not exposed to any significant credit risk in this regard.

Lowcountry Food Bank, Inc.
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass- Through Grantor's Number	Total Federal Expenditures	Passed through to Subrecipients
U.S. Department of Agriculture				
Passed through from the South Carolina Department of Agriculture				
Food Distribution Cluster				
Emergency Food Assistance Program (Administrative Costs)	10.568	5000011130	\$ 640,495	\$ -
Emergency Food Assistance Program (Food commodities)	10.569	5000011130	9,582,533	9,582,533
Commodity Supplemental Food Program (Administrative Costs)	10.565	5000011131	259,650	-
Commodity Supplemental Food Program (Food commodities)	10.565	5000011131	951,105	951,105
Total Food Distribution Cluster			<u>11,433,783</u>	<u>10,533,638</u>
COVID-19 Pandemic Relief Activities: Local Food Purchase Agreements	10.182	P1601LFPA-09	266,222	-
Passed through from the SC Department of Social Services				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4400027901/ 4400030302	834,593	-
Child Nutrition Cluster				
Child and Adult Care Food Program	10.558	C11135F	522,012	-
Summer Food Service Program for Children	10.559	SF-6366	52,160	-
Total Child Nutrition Cluster			<u>574,172</u>	<u>-</u>
Total U.S. Department of Agriculture			13,108,770	10,533,638
U.S. Department of Homeland Security				
Direct Award				
Emergency Food and Shelter National Board Program	97.024	740800-007/ 738800-015/ 738400-008	35,075	-
U.S. Department of Housing and Urban Development				
Passed through from the State of South Carolina				
CDBG- Entitlement Grants Cluster				
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	CV1-023, CV2- F003	2,512,247	-
Total Expenditures of Federal Awards			<u>\$ 15,656,092</u>	<u>\$ 10,533,638</u>

Lowcountry Food Bank, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Lowcountry Food Bank, Inc. (the "Organization") under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2. Summary of Significant Account Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Contingencies

The Organization's federal programs are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Organization's continued participation in the specific programs. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

Note 4. Categorization of Expenditures

The categorization of expenditures by program included in the Schedule is based upon the grant documents. Changes in the categorization of expenditures occur based upon revisions to the Assistance Listing, which is issued in June and December of each year. The Schedule for the year ended December 31, 2023 reflects Assistance Listing changes issued through May 2023.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based On an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Directors
Lowcountry Food Bank, Inc.
Charleston, South Carolina

We have audited, 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, the financial statements of Lowcountry Food Bank, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 19, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 the 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. 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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 result of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Greenville, South Carolina
July 19, 2024**

Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required By The Uniform Guidance

Independent Auditor's Report

Board of Directors
Lowcountry Food Bank, Inc.
Charleston, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Programs

We have audited Lowcountry Food Bank, Inc.'s (the "Organization") 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 the Organization's major federal programs for the year ended December 31, 2023. The Organization'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, the Organization 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, 2023.

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 (GAAS); 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 the Organization 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 the Organization'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 the Organization'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 the Organization'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 GAAS, *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 the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the Organization'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 the Organization'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 the Organization'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 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.

Forvis Mazars, LLP

**Greenville, South Carolina
July 19, 2024**

Lowcountry Food Bank, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? _____ Yes _____ X _____ No
 Significant deficiency(ies) identified? _____ Yes _____ X _____ None reported
 Noncompliance material to financial statements noted? _____ Yes _____ X _____ No

Federal Awards

Internal control over major federal awards programs:
 Material weakness(es) identified? _____ Yes _____ X _____ No
 Significant deficiency(ies) identified? _____ Yes _____ X _____ None reported

Type of auditor’s report issued on compliance for major federal awards programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a)? _____ Yes _____ X _____ No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218 10.561	Community Development Block Grants/Entitlement Grants State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$750,000 _____

Auditee qualified as low-risk auditee? _____ X _____ Yes _____ No

Section II – Financial Statement Findings

There are no matters that are required to be reported for the year ended December 31, 2023.

Section III – Federal Award Findings and Questioned Costs

There are no matters that are required to be reported for the year ended December 31, 2023.

Lowcountry Food Bank, Inc.
Summary of Prior Audit Findings
Year Ended December 31, 2023

Reference Number	Summary of Finding	Status
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None noted.