

# **Helena Food Share, Inc. and Related Entity**

**Helena, Montana**

COMBINED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION  
WITH INDEPENDENT AUDITORS' REPORT

**June 30, 2025 and 2024**



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# Helena Food Share, Inc. and Related Entity

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Helena Food Share, Inc.  
Helena, Montana

### ***Opinion***

We have audited the combined financial statements of Helena Food Share, Inc. and Helena Food Share Holding Company (collectively, the Organization), which comprise the combined statements of financial position as of June 30, 2025 and 2024; the related combined statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the change 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 (GAAP).

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). The June 30, 2024, audit was conducted in accordance with GAAS and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 Combined Financial Statements***

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the combined financial statements are available to be issued.

## **INDEPENDENT AUDITORS' REPORT**

(Continued)

### ***Auditors' Responsibilities for the Audit of the Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## INDEPENDENT AUDITORS' REPORT

(Continued)

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The schedule of program services provided and visitors assisted and combining schedules of financial position and schedules of activities are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and, except for that portion marked "unaudited," and was derived from, and relates directly to, the underlying accounting and other records used to prepare the combined financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, except for that portion marked "unaudited," on which we express no opinion nor any assurance, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*KCoe Jam, LLP*

December 4, 2025

Helena, Montana

## **FINANCIAL SECTION**

# **Helena Food Share, Inc. and Related Entity** **COMBINED STATEMENTS OF FINANCIAL POSITION**

June 30	2025	2024
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 286,889	\$ 870,943
Restricted cash	9,500	3,559,166
Promises to give - current portion	172,050	242,240
Grants and other receivables	19,990	1,253,767
Donated inventory	250,842	93,051
Purchased inventory	70,619	33,644
Interest receivable	46,161	46,161
Prepaid expenses	51,011	18,075
<b>Total Current Assets</b>	<b>907,062</b>	<b>6,117,047</b>
Investments	1,197,513	1,094,495
<b>Property and Equipment</b>		
Land	752,473	820,669
Building and improvements	10,495,940	226,246
Equipment, furniture, and fixtures	499,935	524,511
Technology	28,429	28,429
Vehicles	162,850	162,034
Construction in progress	34,029	8,458,878
<b>Subtotals</b>	<b>11,973,656</b>	<b>10,220,767</b>
Less: Accumulated depreciation	532,083	357,228
<b>Property and Equipment - Net</b>	<b>11,441,573</b>	<b>9,863,539</b>
<b>Other Assets</b>		
Loan to Investment Company	8,206,400	8,206,400
Operating right-of-use assets	-	15,500
Promises to give - long term - net of discount, allowance, and current portion	99,045	219,504
Board-designated cash reserves	813,871	730,265
<b>Total Other Assets</b>	<b>9,119,316</b>	<b>9,171,669</b>
<b>TOTAL ASSETS</b>	<b>\$ 22,665,464</b>	<b>\$ 26,246,750</b>

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

**Helena Food Share, Inc. and Related Entity**  
**COMBINED STATEMENTS OF FINANCIAL POSITION**  
(Continued)

June 30	2025	2024
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 39,186	\$ 1,180,306
Other liabilities	-	6,507
Interest payable	54,387	54,103
Retention payable	-	313,509
Accrued payroll and withholdings	28,944	31,425
Accrued compensated absences	31,124	31,039
Long-term debt - current portion	27,718	700,000
Refundable grant advance	-	1,649
Operating leases - current portion	-	15,500
<b>Total Current Liabilities</b>	<b>181,359</b>	<b>2,334,038</b>
Long-term debt - net of current portion	11,252,486	12,819,583
Unamortized debt issuance costs	(4,614)	(8,596)
<b>Long-Term Debt - Net of Current Portion and Unamortized Debt Issuance Costs</b>	<b>11,247,872</b>	<b>12,810,987</b>
<b>Total Liabilities</b>	<b>11,429,231</b>	<b>15,145,025</b>
<b>Net Assets</b>		
Without donor restrictions:		
Board designated	813,871	730,265
Undesignated	10,110,312	9,830,675
<b>Total Net Assets Without Donor Restrictions</b>	<b>10,924,183</b>	<b>10,560,940</b>
With donor restrictions	312,050	540,785
<b>Total Net Assets</b>	<b>11,236,233</b>	<b>11,101,725</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 22,665,464</b>	<b>\$ 26,246,750</b>

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



**Helena Food Share, Inc. and Related Entity**  
**COMBINED STATEMENTS OF ACTIVITIES**

Year Ended June 30, 2025	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Gains, and Other Support</b>			
Food donations	\$ 3,066,165	\$ -	\$ 3,066,165
Individual and business donations	1,779,539	179,564	1,959,103
Community group donations	51,099	47,121	98,220
Investment income - net of fees	106,941	-	106,941
Gifts of nonfinancial contributions	45,041	-	45,041
Other revenue	118,902	-	118,902
Grants and foundations	107,946	134,247	242,193
Gain on disposal of asset	473,318		473,318
Net assets released from restrictions	589,667	(589,667)	-
<b>Total Revenues, Gains, and Other Support</b>	<b>6,338,618</b>	<b>(228,735)</b>	<b>6,109,883</b>
<b>Expenses</b>			
Program services	5,126,665	-	5,126,665
General and administrative	433,394	-	433,394
Fundraising	415,316	-	415,316
<b>Total Expenses</b>	<b>5,975,375</b>	<b>-</b>	<b>5,975,375</b>
<b>Change in Net Assets</b>	<b>363,243</b>	<b>(228,735)</b>	<b>134,508</b>
<b>Net Assets - Beginning of Year</b>	<b>10,560,940</b>	<b>540,785</b>	<b>11,101,725</b>
<b>Net Assets - End of Year</b>	<b>\$ 10,924,183</b>	<b>\$ 312,050</b>	<b>\$ 11,236,233</b>

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

# Helena Food Share, Inc. and Related Entity

## COMBINED STATEMENTS OF ACTIVITIES

(Continued)

Year Ended June 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Gains, and Other Support</b>			
Food donations	\$ 2,511,604	\$ -	\$ 2,511,604
Individual and business donations	1,121,888	881,760	2,003,648
Community group donations	69,031	1,331,430	1,400,461
Investment income - net of fees	129,241	-	129,241
Gifts of nonfinancial contributions	46,270	-	46,270
Other revenue	87,285	-	87,285
Grants and foundations	123,960	2,447,206	2,571,166
Net assets released from restrictions	6,800,188	(6,800,188)	-
<b>Total Revenues, Gains, and Other Support</b>	<b>10,889,467</b>	<b>(2,139,792)</b>	<b>8,749,675</b>
<b>Expenses</b>			
Program services	4,054,682	-	4,054,682
General and administrative	357,355	-	357,355
Fundraising	430,197	-	430,197
<b>Total Expenses</b>	<b>4,842,234</b>	<b>-</b>	<b>4,842,234</b>
<b>Change in Net Assets</b>	<b>6,047,233</b>	<b>(2,139,792)</b>	<b>3,907,441</b>
<b>Net Assets - Beginning of Year</b>	<b>4,513,707</b>	<b>2,680,577</b>	<b>7,194,284</b>
<b>Net Assets - End of Year</b>	<b>\$ 10,560,940</b>	<b>\$ 540,785</b>	<b>\$ 11,101,725</b>

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

# **Helena Food Share, Inc. and Related Entity** **COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2025	Program Services	General and Administrative	Fundraising	Total
Advertising	\$ 7,012	\$ -	\$ 22,208	\$ 29,220
Board of Directors	1,319	401	428	2,148
Building utilities	43,870	4,487	1,496	49,853
Interest expense	162,934	35,469	33,565	231,968
Depreciation	328,705	28,332	9,444	366,481
Amortization	3,505	358	119	3,982
Donated food distributed	2,908,374	-	-	2,908,374
Dues/Subscriptions	4,319	1,314	5,977	11,610
Equipment	66,695	-	-	66,695
Repairs and maintenance	17,942	1,803	601	20,346
Food vouchers redeemed	10,364	-	-	10,364
Insurance	50,704	6,938	1,685	59,327
Licenses and permits	580	-	-	580
Miscellaneous	554	370	17,544	18,468
Printing/Postage	9,862	3,641	61,884	75,387
Professional fees	56,165	121,809	3,529	181,503
Purchased food distributed	596,916	-	-	596,916
Rentals	4,246	-	-	4,246
Supplies	37,585	2,234	1,614	41,433
Technology	21,864	5,409	5,764	33,037
Travel and training	6,802	1,306	1,066	9,174
Occupancy	51,131	5,230	1,742	58,103
Vehicles expense	23,175	169	181	23,525
Volunteer recognition	8,116	-	-	8,116
Special projects and events	-	-	18,246	18,246
Wages, taxes, and benefits	703,926	214,124	228,223	1,146,273
<b>Total Expenses</b>	<b>\$ 5,126,665</b>	<b>\$ 433,394</b>	<b>\$ 415,316</b>	<b>\$ 5,975,375</b>

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

**Helena Food Share, Inc. and Related Entity**  
**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**  
(Continued)

Year Ended June 30, 2024	Program Services	General and Administrative	Fundraising	Total
Advertising	\$ 887	\$ -	\$ 10,815	\$ 11,702
Board of Directors	1,488	347	646	2,481
Building utilities	15,825	2,047	2,439	20,311
Interest expense	112,127	26,156	48,672	186,955
Depreciation	25,601	-	-	25,601
Amortization	3,154	-	-	3,154
Donated food distributed	2,516,379	-	-	2,516,379
Dues/Subscriptions	4,541	3,445	9,447	17,433
Equipment	56,073	-	-	56,073
Repairs and maintenance	11,190	-	-	11,190
Food vouchers redeemed	9,536	-	-	9,536
Insurance	8,233	1,997	231	10,461
Licenses and permits	7,188	922	3,020	11,130
Miscellaneous	726	13,800	-	14,526
Printing/Postage	11,073	3,957	68,605	83,635
Professional fees	3,381	148,591	1,359	153,331
Purchased food distributed	561,815	-	-	561,815
Rentals	10,201	-	-	10,201
Supplies	19,307	2,351	2,687	24,345
Technology	21,640	4,376	8,143	34,159
Travel and training	1,729	4,010	445	6,184
Occupancy	36,103	11,194	11,194	58,491
Vehicles expense	37,336	-	-	37,336
Volunteer recognition	5,398	-	-	5,398
Special projects and events	-	-	13,444	13,444
Wages, taxes, and benefits	573,751	134,162	249,050	956,963
<b>Total Expenses</b>	<b>\$ 4,054,682</b>	<b>\$ 357,355</b>	<b>\$ 430,197</b>	<b>\$ 4,842,234</b>

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

# Helena Food Share, Inc. and Related Entity

## COMBINED STATEMENTS OF CASH FLOWS

Years Ended June 30	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 134,508	\$ 3,907,441
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Donated food received	(3,066,165)	(2,511,604)
Donated food distributed	2,908,374	2,516,379
Depreciation expense	366,481	25,601
Amortization expense	3,982	3,154
Amortization of operating right-of-use asset	15,500	35,094
Unrealized gain on investments	(19,373)	(90,491)
Realized gain on investments	(65,861)	(21,458)
Dividends and interest - net of fees	(21,707)	(17,292)
Gain on sale of asset	(473,318)	-
Changes in operating assets and liabilities:		
Promises to give - net of discount and allowance	190,649	325,457
Grants and other receivables	1,233,777	(1,234,368)
Purchased inventory	(36,975)	10,714
Interest receivable	-	(46,161)
Prepaid expenses	(32,936)	10,831
Accounts payable	(36)	(43,092)
Other liabilities	(6,507)	(5,124)
Interest payable	284	54,103
Retention payable	(313,509)	313,509
Accrued payroll and withholdings	(2,481)	8,616
Accrued compensated absences	85	6,921
Refundable grant advance	(1,649)	1,649
Operating lease liability	(15,500)	(35,094)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>797,623</b>	<b>3,214,785</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investment securities	(34,642)	(48,371)
Sale of investment securities	38,565	52,164
Loan to Investment Company	-	(8,206,400)
Proceeds from sale of property and equipment	625,000	-
Purchase of property, equipment, and construction in progress	(2,096,197)	(8,259,135)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>\$ (1,467,274)</b>	<b>\$ (16,461,742)</b>

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

**Helena Food Share, Inc. and Related Entity****COMBINED STATEMENTS OF CASH FLOWS**

(Continued)

Years Ended June 30	2025	2024
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of long-term debt - less fees	\$ 57,500	\$ 15,507,833
Payments of long-term debt	(2,296,879)	(2,000,000)
Financed construction in progress	(1,141,084)	1,141,084
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(3,380,463)</b>	<b>14,648,917</b>
<b>Net Change in Cash, Cash Equivalents, and Designated Cash</b>	<b>(4,050,114)</b>	<b>1,401,960</b>
<b>Cash, Cash Equivalents, and Designated Cash - Beginning of Year</b>	<b>5,160,374</b>	<b>3,758,414</b>
<b>Cash, Cash Equivalents, and Designated Cash - End of Year</b>	<b>\$ 1,110,260</b>	<b>\$ 5,160,374</b>
<b>CASH, CASH EQUIVALENTS, AND DESIGNATED CASH</b>		
Cash flow reconciliation to the combined statements of financial position:		
Cash and cash equivalents	\$ 286,889	\$ 870,943
Restricted cash	9,500	3,559,166
Board-designated cash reserves	813,871	730,265
<b>TOTAL CASH, CASH EQUIVALENTS, AND DESIGNATED CASH</b>	<b>\$ 1,110,260</b>	<b>\$ 5,160,374</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 114,731	\$ 256,902
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Donated securities	\$ 41,300	\$ 58,658

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

**1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Organization*** Helena Food Share, Inc. is a nonprofit corporation organized in 1987 to provide food to families in need in the Helena area. Support is provided by the public, local churches, local businesses, social service organizations, and private groups.

Helena Food Share, Inc. created the Helena Food Share Holding Company, Inc. (the Holding Company), a 501(c)3 organization, to obtain funding from New Markets Tax Credit (NMTC). The Holding Company received the NMTC funding to build a new building, which the Holding Company leases to Helena Food Share, Inc. The building was substantially complete in fiscal year 2025. The Holding Company's Board of Directors is comprised of three citizens, who serve a one-year term. The Holding Company must remain in existence over the next seven years during the NMTC structure.

The Board of Directors (the Board) is comprised of between 12 and 20 citizens nominated by the External Affairs Committee of the Board. They are approved by the existing Board and serve a three-year term. The Executive Committee, comprised of the four Board officers who serve a one-year term, is responsible for drafting all Board meeting agendas and coordinating the work of other committees. The Executive Director is hired by the Board and is responsible for the administrative management of the Helena Food Share, Inc. and the Holding Company (collectively, the Organization).

***Basis of Presentation*** The accompanying financial statements are presented on a combined basis of the Organization, as of and for the years ended June 30, 2025 and 2024. Substantially, all of the activities of the Holding Company involve assets that are to be leased to a single lessee, Helena Food Share, Inc. In addition, the expected substantive residual risks and substantially all of the residual rewards of the leased assets and the obligation imposed by the underlying debt of the Holding Company reside directly or indirectly with Helena Food Share, Inc. There are no owners of the Holding Company. All significant inter-entity accounts and balances are eliminated upon combination.

***Accounting Estimates*** The preparation of combined financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP) 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 combined financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

***Cash and Cash Equivalents*** For purposes of the combined statements of cash flows, cash and cash equivalents are considered to be all cash maintained in the Organization's checking account and cash management fund. The Organization's bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. From time to time, certain bank accounts that are subject to limited FDIC coverage exceed their insured limits. At June 30, 2025 and 2024, the Organization's bank accounts exceeded FDIC limits by \$123,682 and \$3,924,276, respectively.

***Restricted Cash*** Amounts included in restricted cash represent donations held for specific purposes as directed by the donors.

## Helena Food Share, Inc. and Related Entity

### NOTES TO THE COMBINED FINANCIAL STATEMENTS

(Continued)

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**Board-Designated Cash Reserves** As more fully disclosed in note 11, the Board has designated cash reserves to fund an operating reserve, building and capital campaign fund, and a capital asset replacement reserve. The Board set an operating cash reserve requirement of 25% of the annual operating budget. The Board has designated additional cash flows for a capital campaign. The Board has also designated funds for a capital asset replacement reserve for vehicles and equipment.

**Investments** In accordance with GAAP, investments in marketable securities with readily determinable fair values are reported at their fair values on the combined statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income (loss) is reported net of fees.

GAAP provides a framework for measuring fair value, defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

GAAP also establishes a fair value hierarchy, which prioritizes the valuation of inputs into three broad levels, as described below:

- Level 1:* Quoted prices in active markets as of the measurement date;
- Level 2:* Quoted prices which are not active, quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3:* Significant unobservable prices or inputs where there is little or no market activity for the asset or liability at the measurement date.

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 minimizes the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value.

**Mutual Funds:** Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-ended mutual funds that are registered with the Securities Exchange Commission. These funds are required to publish their daily net asset value and transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The preceding method described may produce a fair value calculation 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 other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. At June 30, 2025, and 2024, there were no transfers between levels.



**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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**Promises to Give** Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give that will be collected beyond one year are reported at the present value of the anticipated cash flows using the discount rate established at the date of the pledge, net of an allowance for uncollectible amounts based on an allowance rate of 3%. Conditional promises to give are recognized when the specified conditions are satisfied. Promises to give are reviewed periodically to determine their collectability and whether any promises should be charged off.

**Promises to Give, Grants Receivable, and Loans and Allowance for Credit Losses** Receivables are stated at the amount the Organization expects to collect. The Organization maintains allowances for credit losses for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with customer, current economic industry trends, forecast of future events, and changes in customer payment terms. Past due balances of 90 days and other higher risk amounts are reviewed individually for collectability. If the financial condition of the Organization's donors were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Organization provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable accounts. No allowance for uncollectible accounts is established for loans as management considered all balances materially collectible.

Management believes the compiled historical-loss information is a reasonable base on which to determine expected credit losses for the receivables held at June 30, 2025 and 2024, because the composition of the receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). Management has determined that the current, reasonable, and supportable forecasted economic conditions are similar to the economic conditions included in the historical information.

Promises to give, rent receivables, and grants receivable at June 30, 2023, were \$806,600, net of the allowance for doubtful accounts of \$67,980.

**Inventories** The Organization accepts contributions of food for distribution to individuals and families in need. This contributed food is priced annually at an industry standard donated value and is reflected as donated inventory on the combined statements of financial position on a first-in, first-out (FIFO) basis. Purchased food for distribution is stated at lower of cost or net realizable value utilizing the FIFO method.

**Property and Equipment** The Organization capitalizes all fixed assets acquired with an economic life over one year and with a cost of greater than \$3,500. Purchased fixed assets are recorded at cost. Donated property and equipment are recorded at its estimated fair value on the date of donation.

# Helena Food Share, Inc. and Related Entity

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

(Continued)

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**Depreciation and Amortization** Depreciation expense is computed using the straight-line method over the following estimated useful lives:

Buildings and improvements	15 to 40 years
Equipment, furniture, and fixtures	5 to 10 years
Technology	5 to 10 years
Vehicles	5 to 10 years

Costs incurred to obtain long-term financing are deferred and amortized on a straight-line method over the term of the related debt. The original loan fees cost was \$11,750. At June 30, 2025 and 2024, \$7,136 and \$3,154, respectively, have been amortized.

**Operating Lease Right-of-Use Assets and Liabilities** The Organization obtains the right to control the use of various assets under long-term agreements. The Organization evaluates contracts to determine whether they include a lease, and uses the lessee nonlease component accounting policy election, for all asset classes, to account for the lease and nonlease components separately. Variable lease payments, which are primarily comprised of maintenance, utilities, and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments are incurred. Leases are recognized on the combined statements of financial position as operating right-of-use (ROU) assets with a corresponding operating lease liability.

**Classification of Net Assets** In accordance with GAAP, the Organization reports its combined financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The net assets are reported as follows:

*Without Donor Restrictions:* Net assets that are not subject to donor-imposed stipulations.

*With Donor Restrictions:* Net assets subject to donor-impose stipulations that may or will be met by actions of the Organization and/or the passage of time. When the restriction expires, net assets are reclassified to net assets without donor restrictions and are reported on the combined statements of activities as net assets released from restrictions.

**Revenue and Support** Contributions and support received are recorded as support without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Funds advanced under the Senior Farmers Market Nutrition Program are classified as a refundable grant advance until expenses for the purpose of the grant are incurred or other conditions of the grant are satisfied.

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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***In-Kind Contributions*** During the fiscal years ended June 30, 2025 and 2024, 1,613,771 and 1,274,926 pounds of food were donated by the local community for distribution to individuals, families, and other nonprofit organizations, respectively. This policy for donated inventory revenue recognition is disclosed in note 4. During 2025 and 2024, the agency received 338,766 and 118,452 pounds of food through federal and state commodity programs, respectively.

A significant amount of volunteer labor is utilized in collecting and distributing food donations. During 2025 and 2024, community members donated 22,388 and 17,724 of work hours to pick up, process, and distribute food, respectively. The value of this labor is not reflected in the combined financial statements as it does not meet the standard for reporting under GAAP.

***Advertising*** Advertising costs are expensed as incurred. Advertising expense was \$29,220 and \$11,702 during the years ended June 30, 2025 and 2024, respectively.

***Income Taxes*** The Organization operates under *Internal Revenue Code* (IRC) Section 501(c)(3) as a nonprofit organization and therefore is exempt from income taxes unless taxable income would result from business operations not directly related to the Organization's exempt purpose.

***Functional Allocation of Expenses*** Salaries, wages and related benefits, office and occupancy expenses, and the cost of professional and other services have been allocated for the years ended June 30, 2025 and 2024, to program, fundraising, and general and administrative based on relative utilization on the combined statements of activities.

***Evaluation of Subsequent Events*** Management has evaluated subsequent events through December 4, 2025, the date the combined financial statements were available to be issued.

## **2. LIQUIDITY AND AVAILABILITY**

Management has identified the following assets as available for general expenditures in fiscal years 2026 and 2025, respectively:

June 30	2025		2024	
<b>Financial Assets</b>				
Cash and cash equivalents	\$	140,018	\$	778,310
Other receivables		11,758		-
Investments		1,197,513		1,094,495
Promises to give - current		172,050		242,240
<b>Total Financial Assets</b>	\$	1,521,339	\$	2,115,045

Financial assets available for general expenditure include those without donor or other restrictions limiting their use within one year of the combined statements of financial position date. In addition, the Organization receives contributions restricted by donors, and considers those restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

**Helena Food Share, Inc. and Related Entity**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS**  
**(Continued)**

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These funds are considered available to fund general operations. As disclosed in note 1, the Organization receives significant amounts of donated food and labor. Cash balances are routinely monitored in light of projected cash needs and excess balances are transferred to a savings account, where they are managed to both provide for short-term liquidity and to grow in value over time.

The Organization has Board-designated operating reserves that are available and could be accessed for unanticipated needs or in the event of cash flow shortages. The operating reserve balance was \$613,871 and \$530,265 at June 30, 2025 and 2024, respectively.

**3. CONDITIONAL GRANT AWARDS**

In March 2023, the Organization obtained a Local Food Purchase Assistance Grant from the Montana Department of Agriculture. At June 30, 2025 and 2024, the Organization recognized \$59,234 and \$76,998, respectively, of restricted grant revenue on the combined statements of activities, and \$-0- and \$3,719, respectively, is included in grants receivable on the combined statements of financial position.

**4. INVENTORIES**

The Organization performs an annual inventory of donated food items, in addition to purchased food items on hand at year-end. Donated food is tracked during the year. The value of donated food is based on an industry standard amount of \$1.90 and \$1.97 per pound for fiscal years 2025 and 2024, respectively. During 2025 and 2024, the Organization received 1,613,771 and 1,274,926 pounds of food valued at \$3,066,165 and \$2,511,604, respectively. At June 30, 2025 and 2024, donated food on hand amounted to 132,022 and 47,234 pounds valued at \$250,842 and \$93,051, respectively. Purchased food is recorded at cost. At June 30, 2025 and 2024, purchased food available for distribution amounted to \$70,619 and \$33,644, respectively.

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

**5. FAIR VALUE MEASUREMENTS**

Investment securities consisted of the following assets, which are held by third-party money managers:

June 30, 2025	Fair Value Level 1	Cost	Net Unrealized Gain
<b>Equity Securities</b>			
Mutual funds	\$ 1,197,513	\$ 1,192,808	\$ 4,705

June 30, 2024	Fair Value Level 1	Cost	Net Unrealized Loss
<b>Equity Securities</b>			
Mutual funds	\$ 1,094,495	\$ 1,119,452	\$ (24,957)

**6. PROMISES TO GIVE**

Promises to give were as follows:

June 30	2025	2024
Unconditional promises to give before unamortized discount and allowance	\$ 297,850	\$ 540,786
Unamortized discount	(15,593)	(38,737)
Allowance for unexpected credit losses	(11,162)	(40,305)
<b>Net Unconditional Promises to Give</b>	271,095	461,744
Current portion	(172,050)	(242,240)
<b>Total Promises to Give</b>	\$ 99,045	\$ 219,504

Amounts due in subsequent years are:

Years Ending June 30	
2026	\$ 172,050
2027	104,150
2028	21,650
<b>Total</b>	\$ 297,850

At June 30, 2025 and 2024, the discount rate was 3.68% and 4.25%, respectively.

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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**7. NOTES RECEIVABLE**

During the year ended June 30, 2024, Helena Food Share, Inc, entered into a note agreement in the amount of \$8,206,400 with Food Share Investment Fund, LLC (the Investment Company). The note is receivable on demand, if requested, but will remain on the repayment schedule described herein if no demand is made. The note bears interest at 1.125% with annual interest payments due until December 31, 2030. Afterwards, annual principal and interest payments are due, sufficient to pay the loan in full by December 2048. At June 30, 2025 and 2024, the Organization had \$46,161 of interest receivable due from this note.

**8. MONTANA COMMUNITY FOUNDATION**

The Organization has an endowment fund held at the Montana Community Foundation (MCF). The portion of the funds contributed by unrelated third-party donors is considered to be a contribution to the endowment. In accordance with GAAP, MCF holds variance power over these funds, and reports contributions to this fund as additions to its net assets. These assets are included in MCF's financial statements and not the Organization's combined financial statements. Earnings distributed by MCF to the Organization are recorded as contributions in the year of receipt. The Organization did not receive contributions for the years ended June 30, 2025 or 2024. The earnings on these funds are reinvested in the endowment at the discretion of the Organization's Board. The total amount in the endowment account not included on Helena Food Share, Inc.'s statements of financial position was \$422,788 and \$374,699 at June 30, 2025 and 2024, respectively.

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

**9. LONG-TERM DEBT**

Long-term debt consisted of the following:

June 30	2025	2024
Bridge loan from Valley Bank of Helena to Helena Food Share, Inc. matured on May 31, 2025, interest only per annum of 6.95%. Loan principal and any accrued and unpaid interest due in lump sum at maturity date. This loan was collateralized by restricted cash.	\$ 27,718	\$ 700,000
Loan from Valley Bank of Helena to Helena Food Share, Inc., payable in monthly installments of \$15,839 beginning July 2025, including interest at 7.17% per annum, through May 2045. Interest only paid through July 2025 at a rate of 6.95%. Loan is collateralized by restricted cash.	375,403	2,000,000
Loan from Investment Company to Holding Company, payable in monthly installments of \$45,444 beginning January 1, 2031, including interest at 1.00% per annum, through December 2053. Interest only paid through December 2023 at a rate of 1.00%. The loan is collateralized by the building.	10,877,083	10,819,583
<b>Total Long-Term Debt</b>	<b>11,280,204</b>	<b>13,519,583</b>
Unamortized debt issuance costs	(4,614)	(8,596)
<b>Subtotals</b>	<b>11,275,590</b>	<b>13,510,987</b>
Current portion	(27,718)	(700,000)
<b>Long-Term Debt - Net</b>	<b>\$ 11,247,872</b>	<b>\$ 12,810,987</b>

Annual debt maturities for each of the next five years and thereafter are as follows:

Years Ending June 30	
2026	\$ 27,718
2027	46,184
2028	49,655
2029	53,008
2030	57,372
Thereafter	11,046,267
<b>Total</b>	<b>\$ 11,280,204</b>

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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**10. LEASE OBLIGATIONS**

**Operating Leases**

The Organization has two operating leases. The operating lease agreements may include renewal options. These renewals are not considered reasonably certain to be exercised. One of these operating leases is with the Holding Company, and the payments for this lease and the ROU asset and offsetting operating lease liability are eliminated when combining the financial statements. The lease began November 8, 2023, at which time a \$5,499,339 ROU was obtained in exchange for the operating lease liability. The lease terminates December 31, 2048. The total lease payments and income eliminated for the fiscal years ended June 30, 2025 and 2024, were \$428,900 and \$214,250, respectively. The ROU asset and offsetting operating lease liability eliminated for the fiscal years ended June 30, 2025 and 2024, were \$4,858,929 and \$5,494,588, respectively.

The Organization's operating leases generally do not specify an implicit interest rate. Therefore, the risk-free rate was used, based on information available at the commencement date, to determine the present value of future payments when capitalizing the operating lease ROU assets and operating lease liabilities.

The Organization leases office space under lease agreements with durations less than 12 months, and has elected to use the short-term lease exemptions, which allows for the expense to be recognized on a straight-line basis over the lease term.

The Organization's lease expense was as follows:

Years Ended June 30	<b>2025</b>		<b>2024</b>
Operating leases	\$	-	\$ 28,800
Short-term leases		13,941	24,940
<b>Total Lease Expense</b>	\$	13,941	\$ 53,740

All lease obligations are current and disclosed on the combined financial statements. The discount factors used in calculating minimum lease payments on operating ROU assets are as follows:

Years Ended June 30	<b>2025</b>	<b>2024</b>
Weighted-average remaining lease term	0.00 years	0.42 years
Weighted-average discount rate	4.82%	4.11%



**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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**11. BOARD-DESIGNATED AND NET ASSETS WITH DONOR RESTRICTIONS**

Net assets were restricted for time and/or purpose for the following:

June 30		2025		2024
Restricted by time:				
Promises to give	\$	297,850	\$	540,785
Restricted by purpose:				
Equipment		14,200		-
<b>Total Net Assets With Donor Restrictions</b>	\$	312,050	\$	540,785

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Years Ended June 30		2025		2024
Food programs	\$	240,925	\$	356,196
Building campaign		83,107		6,432,071
Time release of promise to give		265,635		-
Other		-		11,921
<b>Total Released</b>	\$	589,667	\$	6,800,188

As disclosed in note 1, the Board has designated cash reserves and related net assets for operating projects, a building capital campaign, and a capital asset replacement reserve fund. Accordingly, Board-designated net assets without donor restrictions include the following:

June 30		2025		2024
Operating reserves	\$	613,871	\$	530,265
Capital asset replacement reserve		200,000		200,000
<b>Total Board Designated</b>	\$	813,871	\$	730,265

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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**12. RETIREMENT PLAN**

The Organization has a Simple IRA retirement plan (the Plan). The Plan covers all employees who meet statutory requirements. Participants may make contributions through pre-tax salary deferrals on a percentage basis, up to annual Internal Revenue Service contribution limits, and manage their own investments. The Organization makes dollar-for-dollar matching contributions of 1% to 3% of participating employees' compensation. During the years ended June 30, 2025 and 2024, the Organization contributed \$24,955 and \$15,546 to the Plan, respectively.

**13. NONFINANCIAL CONTRIBUTIONS**

The Organization receives various types of donated goods and services throughout the year, including professional services, grocery expenses, equipment maintenance, and supplies. These contributions were recorded on the combined statements of activities as gifts of nonfinancial contributions and as expenses for the following items:

Years Ended June 30	2025	2024
Grocery	\$ 1,047	\$ 1,263
Auto, building repairs, and maintenance	5,272	3,431
Garden	7,872	256
Program	570	2,340
Other	12,013	29,600
Event and fundraising	18,267	9,380
<b>Totals</b>	<b>\$ 45,041</b>	<b>\$ 46,270</b>

The Organization makes a determination on whether to utilize or monetize any contributed services or material at the time the contribution is received. The Organization utilized the nonfinancial contributions for the years ended June 30, 2025 and 2024.

**14. RELATED-PARTY TRANSACTIONS**

Helena Food Share, Inc. received pledges from members of its Board of Director and staff members. For the years ended June 30, 2025 and 2024, the Helena Food Share, Inc. recorded pledge income from related parties of \$16,100 and \$11,100, respectively. Pledges receivable from related parties totaled \$7,250 and \$23,350 at June 30, 2025 and 2024, respectively.

During the year ended June 30, 2024, Helena Food Share Inc. and the Holding Company entered into transactions to finance and develop the construction of a new facility at 1280 Boulder Ave., Helena, Montana (the Project). The Project was partially financed through the use of the NMTC program under IRC Section 45(d) and involved offsetting transactions with Food Share SUB CDE, LLC and Food Share Investment Fund, LLC. The note receivable between Helena Food Share, Inc. and the Investment Company is more fully described in note 7.

## Helena Food Share, Inc. and Related Entity

### NOTES TO THE COMBINED FINANCIAL STATEMENTS

(Continued)

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The Managing Member of the Helena Food SUB CDE, LLC, with a 0.01% ownership interest, is Montana Community Development Corporation. The Investor Member of the Helena Food SUB CDE, LLC, with a 99.99% ownership interest, is Food Share Investment Fund, LLC. The Holding Company received its initial loan funding from Food Share SUB CDE, LLC, whose funding was received through transactions involving Helena Food Share, Inc. and the Investment Company, whose sole member is Valley Bank of Helena, a Division of Glacier Bank. All of these entities are considered related parties for the purposes of facilitating the financing and development of the Project. The notes payable between Helena Food Share, Inc. and Food Share SUB CDE, LLC is more fully described in note 9.

All rental property owned by the Holding Company is to be leased to Helena Food Share, Inc. under an operating lease that expires in 2048. Rental revenue recognized on a straight line basis for the years ended June 30, 2025 and 2024, amounted to \$428,900. The following is a schedule of minimum future rents to be received:

Years Ending June 30	Leases
2026	\$ 428,900
2027	428,900
2028	428,900
2029	428,900
2030	428,900
Thereafter	7,934,650
<b>Total</b>	<b>\$ 10,079,150</b>

#### 15. CONSTRUCTION OF NEW FACILITY AND FINANCING THROUGH NEW MARKETS TAX CREDIT PROGRAM

In 2023, Helena Food Share, Inc. began the construction of a new facility located in Helena, Montana, which was identified as a low-income community. The facility, completed in October 2024, aims to provide nutritional assistance and community support services.

The total cost of constructing the new facility was estimated to be \$12 million. To finance this project, Helena Food Share, Inc. has utilized a combination of donor contributions, traditional financing, and benefits derived from participation in the NMTC program. Details of the NMTC financing structure are as follows:

Helena Food Share, Inc. secured an NMTC allocation of \$2 million from community donations. This allocation facilitated a leverage loan and an NMTC equity investment structured as follows:

- \$4.7 million leverage loan provided by Valley Bank of Helena.
- \$3.4 million, provided by Valley Bank of Helena in exchange for allocation of NMTCs throughout the seven-year compliance period of the NMTC program.

**Helena Food Share, Inc. and Related Entity**  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
(Continued)

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The NMTC program is expected to provide a total of \$4,485,000 in tax credits claimed over seven years. These credits are anticipated to reduce the overall cost of the facility by providing tax benefits to the investor, who in turn provided Helena Food Share, Inc. with favorable financing terms.

The leverage loan will be outstanding with principal repayments structured over a period of 20 years at an interest rate of 5% per annum. See note 11 for details of the leverage loan.

The new facility was capitalized at an estimated net cost of \$10.1 million after accounting for NMTC equity contributions. Depreciation is charged on a straight-line basis over the estimated useful life of 30 years, starting from the month when the facility became operational.

Helena Food Share, Inc. is committed to maintaining compliance with all NMTC program requirements, including the sustained use of the facility for purposes benefiting the low-income community. Noncompliance could result in recapture of the NMTCs, significantly impacting the combined financial position and operations of Helena Food Share, Inc.

This facility is poised to significantly enhance Helena Food Share, Inc.'s ability to serve the Helena community and aligns with its mission to combat hunger and foster community development. The NMTC program has not only facilitated this expansion but has also enabled Helena Food Share, Inc. to leverage substantial tax benefits, reducing the overall financial burden of the project.

## **SUPPLEMENTARY INFORMATION SECTION**

## Helena Food Share, Inc. and Related Entity

### SCHEDULE OF PROGRAM SERVICES PROVIDED AND VISITORS ASSISTED (UNAUDITED)

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During the fiscal years ended June 30, 2025 and 2024, Helena Food Share, Inc. provided food assistance to neighbors in need in the greater Helena area.

#### Grocery Share

Helena Food Share, Inc. operates a Grocery Share program at the Lewis Street Pantry, the East Helena Pantry, and with the Mobile Pantry. The number of services provided through the Grocery Share program is as follows:

Years Ended June 30	2025	2024
Full-shop services:		
All food items - up to once per month	17,226	16,036
Half-shop services:		
Perishable foods - up to once per week	14,907	15,148
<b>Total Grocery Share Program Services</b>	<b>32,133</b>	<b>31,184</b>

#### Holiday Service

At Thanksgiving and Christmas, Helena Food Share, Inc. provides a turkey and extra sides for a traditional holiday meal. Helena Food Share, Inc. provided the following Holiday meal services:

Years Ended June 30	2025	2024
Thanksgiving holiday meal share services	1,427	1,304
Christmas holiday meal share services	1,069	1,014
<b>Totals</b>	<b>2,496</b>	<b>2,318</b>

#### Kid Packs

Helena Food Share, Inc. serves local elementary school children through the Kid Packs Program. Identified by teachers and staff, students are given a pack of kid-friendly foods as a source of weekend nutrition. The program served children in 26 classrooms in Helena and East Helena.

Years Ended June 30	2025	2024
Kid packs	45,957	45,347

## **Helena Food Share, Inc. and Related Entity**

### **SCHEDULE OF PROGRAM SERVICES PROVIDED AND VISITORS ASSISTED (UNAUDITED)**

(Continued)

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#### **Senior Assistance**

Helena Food Share, Inc. gives targeted food assistance to income-eligible seniors. During both fiscal years 2025 and 2024, the Senior Farmers Market Nutrition Program provided a \$48 supply of coupons for shopping at Helena-area farmers markets to 264 seniors. This lets seniors enhance their food resources with fresh, Montana-grown vegetables, fruit, and herbs. Helena Food Share, Inc. also is the Helena distribution partner to Rocky Mountain Development Council for its Senior Commodities Food Program. Eligible seniors receive nutritious, U.S. Department of Agriculture-supplied food items on a bimonthly basis. During fiscal years 2025 and 2024, commodity boxes were distributed to 1,559 and 1,501 seniors, respectively.

#### **Agency Collaboration**

Emergency Snack Pack distribution occurs with many agencies and organizations, including the Friendship Center, Good Samaritan, Our Place, PureView Health Center, Leo Pocha, YWCA, and others. Helena Food Share, Inc. distributed 5,958 and 5,608 Emergency Snack Packs in fiscal years 2025 and 2024, respectively.

In 2021, Helena Food Share, Inc. began Food Is Care, a partnership program with St. Peter's Health serving community members referred by caregivers with St. Peter's Health who experience food insecurity, have mobility or transportation challenges, and have diet-sensitive chronic health conditions like diabetes, heart disease, or hypertension. Helena Food Share, Inc. provided 561 and 508 Food Is Care services in fiscal years 2025 and 2024, respectively.

Helena Food Share, Inc. distributes surplus food to other local nonprofit agencies, such as God's Love and the Center for Mental Health Services. Helena Food Share, Inc. also assists the Montana Food Bank Network by providing a delivery and pickup center for food it distributes to other local agencies.

# Helena Food Share, Inc. and Related Entity

## COMBINING SCHEDULES OF FINANCIAL POSITION

June 30	Helena Food Share	Helena Food Share Holding Company	Eliminating Entry	2025	2024
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 286,889	\$ -	\$ -	\$ 286,889	\$ 870,943
Restricted cash	-	9,500	-	9,500	3,559,166
Promises to give - current portion	172,050	-	-	172,050	242,240
Lease income receivables	-	633,850	(633,850)	-	-
Grants and other receivables	19,990	-	-	19,990	1,253,767
Donated inventory	250,842	-	-	250,842	93,051
Purchased inventory	70,619	-	-	70,619	33,644
Interest receivable	46,161	-	-	46,161	46,161
Prepaid expenses	51,011	-	-	51,011	18,075
<b>Total Current Assets</b>	<b>897,562</b>	<b>643,350</b>	<b>(633,850)</b>	<b>907,062</b>	<b>6,117,047</b>
Investments	1,197,513	-	-	1,197,513	1,094,495
<b>Property and Equipment</b>					
Land	-	752,473	-	752,473	820,669
Building and improvements	7,384	10,488,556	-	10,495,940	226,246
Equipment, furniture, and fixtures	51,711	448,224	-	499,935	524,511
Technology	28,429	-	-	28,429	28,429
Vehicles	162,850	-	-	162,850	162,034
Construction in progress	34,029	-	-	34,029	8,458,878
<b>Subtotals</b>	<b>284,403</b>	<b>11,689,253</b>	<b>-</b>	<b>11,973,656</b>	<b>10,220,767</b>
Less: Accumulated depreciation	194,342	337,741	-	532,083	357,228
<b>Property and Equipment - Net</b>	<b>90,061</b>	<b>11,351,512</b>	<b>-</b>	<b>11,441,573</b>	<b>9,863,539</b>
<b>Other Assets</b>					
Loan to Investment Company	8,206,400	-	-	8,206,400	8,206,400
Investment in HFS Holding Company	1,112,334	-	(1,112,334)	-	-
Operating right-of-use assets	4,858,829	-	(4,858,829)	-	15,500
Promises to give - long term - net of discount, allowance, and current portion	99,045	-	-	99,045	219,504
Board-designated cash reserves	813,871	-	-	813,871	730,265
<b>Total Other Assets</b>	<b>15,090,479</b>	<b>-</b>	<b>(5,971,163)</b>	<b>9,119,316</b>	<b>9,171,669</b>
<b>TOTAL ASSETS</b>	<b>\$ 17,275,615</b>	<b>\$ 11,994,862</b>	<b>\$ (6,605,013)</b>	<b>\$ 22,665,464</b>	<b>\$ 26,246,750</b>

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**Helena Food Share, Inc. and Related Entity**  
**COMBINING SCHEDULES OF FINANCIAL POSITION**  
(Continued)

June 30	Helena Food Share	Helena Food Share Holding Company	Eliminating Entry	2025	2024
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 96,186	\$ -	\$ (57,000)	\$ 39,186	\$ 1,180,306
Other liabilities	-	-	-	-	6,507
Interest payable	-	54,387	-	54,387	54,103
Retention payable	-	-	-	-	313,509
Accrued payroll and withholdings	28,944	-	-	28,944	31,425
Accrued compensated absences	31,124	-	-	31,124	31,039
Long-term debt - current portion	27,718	-	-	27,718	700,000
Refundable grant advance	-	-	-	-	1,649
Operating leases - current portion	114,000	-	(114,000)	-	15,500
<b>Total Current Liabilities</b>	<b>297,972</b>	<b>54,387</b>	<b>(171,000)</b>	<b>181,359</b>	<b>2,334,038</b>
Long-term debt - net of current portion	375,403	10,877,083	-	11,252,486	12,819,583
Unamortized debt issuance costs	(4,614)	-	-	(4,614)	(8,596)
<b>Long-Term Debt - Net of Current Portion and Unamortized Debt Issuance Costs</b>	<b>370,789</b>	<b>10,877,083</b>	<b>-</b>	<b>11,247,872</b>	<b>12,810,987</b>
Operating leases - net of current portion	5,321,679	-	(5,321,679)	-	-
<b>Total Long-Term Liabilities</b>	<b>5,692,468</b>	<b>10,877,083</b>	<b>(5,321,679)</b>	<b>11,247,872</b>	<b>12,810,987</b>
<b>Total Liabilities</b>	<b>5,990,440</b>	<b>10,931,470</b>	<b>(5,492,679)</b>	<b>11,429,231</b>	<b>15,145,025</b>
<b>Net Assets</b>					
Without donor restrictions:					
Board designated	813,871	-	-	813,871	730,265
Undesignated	10,159,254	1,063,392	(1,112,334)	10,110,312	9,830,675
<b>Total Net Assets Without Donor Restrictions</b>	<b>10,973,125</b>	<b>1,063,392</b>	<b>(1,112,334)</b>	<b>10,924,183</b>	<b>10,560,940</b>
With donor restrictions	312,050	-	-	312,050	540,785
<b>Total Net Assets</b>	<b>11,285,175</b>	<b>1,063,392</b>	<b>(1,112,334)</b>	<b>11,236,233</b>	<b>11,101,725</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 17,275,615</b>	<b>\$ 11,994,862</b>	<b>\$ (6,605,013)</b>	<b>\$ 22,665,464</b>	<b>\$ 26,246,750</b>

See the independent auditors' report.

# Helena Food Share, Inc. and Related Entity

## COMBINING SCHEDULES OF ACTIVITIES

Years Ended June 30	Helena Food Share	Helena Food Share Holding Company	Eliminating Entry	2025	2024
<b>Revenues, Gains, and Other Support</b>					
Food donations	\$ 3,066,165	\$ -	\$ -	\$ 3,066,165	\$ 2,511,604
Individual and business donations	1,959,103	-	-	1,959,103	2,003,648
Community group donations	98,220	-	-	98,220	1,400,461
Investment income - net of fees	106,941	-	-	106,941	129,241
Gifts of nonfinancial contributions	45,041	-	-	45,041	46,270
Other revenue	118,902	428,900	(428,900)	118,902	87,285
Grants and foundations	242,193	-	-	242,193	2,571,166
Gain on disposal of asset	473,318	-	-	473,318	-
<b>Total Revenues, Gains, and Other Support</b>	<b>6,109,883</b>	<b>428,900</b>	<b>(428,900)</b>	<b>6,109,883</b>	<b>8,749,675</b>
<b>Expenses</b>					
Program services	4,987,926	516,171	(377,432)	5,126,665	4,054,682
General and administrative	430,591	41,404	(38,601)	433,394	357,355
Fundraising	414,622	13,561	(12,867)	415,316	430,197
<b>Total Expenses</b>	<b>5,833,139</b>	<b>571,136</b>	<b>(428,900)</b>	<b>5,975,375</b>	<b>4,842,234</b>
<b>Change in Net Assets</b>	<b>276,744</b>	<b>(142,236)</b>	<b>-</b>	<b>134,508</b>	<b>3,907,441</b>
<b>Net Assets Distributed</b>	<b>-</b>	<b>(223,609)</b>	<b>223,609</b>	<b>-</b>	<b>-</b>
<b>Net Assets - Beginning of Year</b>	<b>11,008,431</b>	<b>1,429,237</b>	<b>(1,335,943)</b>	<b>11,101,725</b>	<b>7,194,284</b>
<b>Net Assets - End of Year</b>	<b>\$ 11,285,175</b>	<b>\$ 1,063,392</b>	<b>\$ (1,112,334)</b>	<b>\$ 11,236,233</b>	<b>\$ 11,101,725</b>

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