

Freegan Food Foundation

at Sint Maarten

Financial statements 2019

Table of contents

	Page
1. COMPILATION REPORT	
1.1 Accountant's compilation report	3
2. FINANCIAL STATEMENTS	
2.1 Balance sheet as at 31 December 2019	5
2.2 Statement of activities for the period 1-1-2019 until 31-12-2019	7
2.3 Notes to the financial statements	8
2.4 Notes to the balance sheet as at 31 December 2019	10
2.5 Notes to the statement of activities for the period 1-1-2019 until 31-12-2019	12

Freegan Food Foundation, Sint Maarten

1. COMPILATION REPORT

Freegan Food Foundation

R21.001/md/PL

1.1 ACCOUNTANT'S COMPILATION REPORT

The 2019 financial statements of Freegan Food Foundation have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2019 and the profit and loss account for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch Standard 4410 for "Compilation engagements", which is applicable to accountants. The standard requires us to assist you with the preparation and presentation of the financial statements in accordance with Book 2 of the St. Maarten Civil Code and the Generally Accepted Accounting Principles in the Netherlands (Dutch Accounting Standards). To this end we have applied our professional expertise in the fields of accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that the information you give us is correct and that you provide us with all relevant information. Therefore, we have conducted our work in accordance with the applicable regulations and on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole and are satisfied that they present a picture in line with our broad understanding of Freegan Food Foundation. We have not performed any audit or review procedures which enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

Philipsburg, 7 January 2021

BDO St. Maarten B.V.



P.C. Lungu ACCA

2. FINANCIAL STATEMENTS

Freegan Food Foundation, Sint Maarten

2.1 BALANCE SHEET AS AT 31 DECEMBER 2019

		<u>31 December 2019</u>	
		\$	\$
ASSETS			
Fixed assets			
Tangible fixed assets			
Furniture and fixtures	1	1,445	
Vehicles		<u>4,583</u>	
			6,028
Current assets			
Receivables			
Other receivables	2		1,950
Cash and banks	3		6,137
Total assets			<u><u>14,115</u></u>

Freegan Food Foundation, Sint Maarten

	<u>31 December 2019</u>	
	\$	\$
LIABILITIES		
Foundation's capital	4	
Other reserves		9,461
Short-term liabilities		
Taxes and social security premiums	5	2,570
Other liabilities and accrued expenses	6	<u>2,084</u>
		4,654
Total liabilities		<u><u>14,115</u></u>

Freegan Food Foundation, Sint Maarten

2.2 STATEMENT OF ACTIVITIES FOR THE PERIOD 1-1-2019 UNTIL 31-12-2019

	<u>01-01-2019 / 31-12-2019</u>	
	\$	\$
Operating income	7	133,489
Cost of sales	8	<u>-15,022</u>
Gross margin		118,467
Expenses		
Personnel expenses	9	73,182
Depreciation		722
Other operating expenses	10	<u>35,102</u>
Total operating expenses		<u>109,006</u>
Foundation surplus/ (deficit)		<u><u>9,461</u></u>

2.3 NOTES TO THE FINANCIAL STATEMENTS

General notes

The most important activities of the entity

Freegan Food Foundation (The Foundation) was incorporated on November 29, 2018. The main activities of this foundation is to act as a food bank where manufacturers, distributors, wholesalers, retailers, companies or people can donate their unused or unwanted foods, which will then be collected and distributed to charitable/welfare homes, volunteer welfare organizations, poor families, the destitute in general and soup kitchens.

This is the first set of financial statements being prepared by the foundation.

Disclosure of going concern

During the preparation of the financial statements, the country of Sint Maarten is affected by measurements to fight the Covid-19 virus. Management evaluated the impact of the crisis caused by Covid-19 to the entity and concluded that the going concern assumption of the entity is not affected by it. Consequently, the financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet the mandatory repayments required in the foreseeable future.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with Book 2 of the St. Maarten Civil Code and the Generally Accepted Accounting Principles in the Netherlands (Dutch Accounting Standards).

The general principle for the valuation of assets and liabilities, as well as the determination of results, is the historical purchase price.

Unless otherwise stated, assets and liabilities are stated at the values at which they were acquired.

Freegan Food Foundation, Sint Maarten

Accounting principles

Fixed assets

Tangible fixed assets are stated at acquisition costs less depreciation calculated on a straight line basis over the estimated useful life. Acquisitions during the year are depreciated from the date of acquisition.

Cash and cash equivalents

Cash and bank balances are freely disposable, unless stated otherwise.
For the year ended December 31, 2019 the foundation did not have any bank account opened in its name.

Current liabilities

The short term liabilities are due within one year.

Accounting principles for determining the result

The Foundation's surplus or deficit is determined as the difference between the received donations and all expenses relating to the reporting period.

Other expenses

Operating expenses are recorded on the accrual basis of accounting when incurred in the period to which they relate.

Freegan Food Foundation, Sint Maarten

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2019

Fixed assets

1 Tangible fixed assets

	<i>Furniture and fixtures</i>	<i>Vehicles</i>	<i>Total</i>
	\$	\$	\$
Book value as at 1 January 2019	-	-	-
Movements			
Investments	1,750	5,000	6,750
Depreciation	-305	-417	-722
Balance movements	<u>1,445</u>	<u>4,583</u>	<u>6,028</u>
Balance as at 31 December 2019			
Cost	1,750	5,000	6,750
Accumulated depreciation	-305	-417	-722
Book value as at 31 December 2019	<u>1,445</u>	<u>4,583</u>	<u>6,028</u>

Current assets

	<u>31-12-2019</u>
	\$
2 Other receivables	
Guarantee deposit	<u>1,950</u>
3 Cash and banks	
Petty Cash	<u>6,137</u>

Freegan Food Foundation, Sint Maarten

4 Foundation's capital

	<u>Other reserves</u>
	\$
Balance as at 1 January 2019	-
Surplus/ (deficit) for the year	<u>9,461</u>
Balance as at 31 December 2019	<u><u>9,461</u></u>

Short-term liabilities

	<u>31-12-2019</u>
	\$

5 Taxes and social security premiums

AOV/AWW payable	1,261
ZV/OV payable	592
Wage tax payable	465
AVBZ payable	192
Turnover tax payable	<u>60</u>
	<u><u>2,570</u></u>

6 Other liabilities and accrued expenses

Net wages	<u><u>2,084</u></u>
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Freegan Food Foundation, Sint Maarten

2.5 NOTES TO THE STATEMENT OF ACTIVITIES FOR THE PERIOD 1-1-2019 UNTIL 31-12-2019

	01-01-2019 / 31-12-2019
	<u> </u> \$
7 Operating income	
Donations	114,901
Restaurant sales	16,147
Catering services and events	<u>2,441</u>
	<u>133,489</u>
8 Cost of sales	
Cost of sales	<u>15,022</u>
Cost of sales	
Food purchases	11,656
Beverage purchases	1,646
Turnover tax expenses	925
Other	<u>795</u>
	<u>15,022</u>
9 Personnel expenses	
Wages and salaries	59,919
Social security premiums	12,101
Other staff expenses	<u>1,162</u>
	<u>73,182</u>
The average number of employees in 2019 was 3.	
Social security premiums	
AOV/AWW premiums	9,039
ZV/OV premiums	1,771
AVBZ premiums	<u>1,291</u>
	<u>12,101</u>
Other staff expenses	
Other staff expenses	925
Uniforms	<u>237</u>
	<u>1,162</u>

Freegan Food Foundation, Sint Maarten

01-01-2019 /
31-12-2019

\$

10 Other operating expenses

Housing expenses	12,263
Selling expenses	5,911
Car expenses	7,838
Office expenses	4,021
General expenses	<u>5,069</u>
	<u><u>35,102</u></u>

Housing expenses

Rent	8,985
Utilities	1,904
Small housing investments	1,234
Cleaning expenses	<u>140</u>
	<u><u>12,263</u></u>

Selling expenses

Representation expenses	3,209
Advertising expenses	2,564
Freight expenses	<u>138</u>
	<u><u>5,911</u></u>

Car expenses

Fuel	<u><u>7,838</u></u>
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Office expenses

Computer expenses	2,114
Telephone expenses	1,549
Office supplies	<u>358</u>
	<u><u>4,021</u></u>

General expenses

Accounting fees	2,070
Professional fees	2,050
Miscellaneous expenses	<u>949</u>
	<u><u>5,069</u></u>

11 Subsequent events

Impact covid-19

COVID-19 has brought considerable uncertainty for organizations worldwide.

With the rapid development of the virus, governments introduced measures to manage the spread of the virus. As the outbreak continues to evolve, it is difficult, at this juncture, to estimate the full extent and duration of the financial and economic impact.

The financial statements have been prepared on the going concern basis.