

Freegan Food Foundation

at Sint Maarten

Financial statements 2021

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 2021	5
2.2 Statement of activities for the year 2021	7
2.3 Notes to the financial statements	8
2.4 Notes to the balance sheet as at 31 December 2021	9
2.5 Notes to the statement of activities for the year 2021	11

Freegan Food Foundation, Sint Maarten

1. COMPILATION REPORT

Freegan Food Foundation

R22.045/md/PL

1.1 ACCOUNTANT'S COMPILATION REPORT

The 2021 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 2021 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, 25 August 2022

BDO St. Maarten B.V.



P.C. Lungu FCCA

2. FINANCIAL STATEMENTS

Freegan Food Foundation, Sint Maarten

2.1 BALANCE SHEET AS AT 31 DECEMBER 2021

		<u>31 December 2021</u>	<u>31 December 2020</u>
		\$	\$
ASSETS			
Fixed assets			
Property, plant and equipment	<i>1</i>		
Furniture and fixtures		4,727	2,383
Vehicles		<u>34,191</u>	<u>3,583</u>
		38,918	5,966
Current assets			
Receivables			
Accounts Receivables	<i>2</i>	13,253	124,731
Other receivables	<i>3</i>	<u>11,652</u>	<u>6,300</u>
		24,905	131,031
Cash and cash equivalents	<i>4</i>	37,396	300
Total assets		<u>101,219</u>	<u>137,297</u>

Freegan Food Foundation, Sint Maarten

		<u>31 December 2021</u>	<u>31 December 2020</u>
		\$	\$
LIABILITIES			
Foundation's capital	5		
Undistributed result		133,417	9,461
Result for the year		<u>-38,134</u>	<u>123,956</u>
		95,283	133,417
Short-term liabilities			
Taxes and social security contributions	6	4,896	2,812
Other liabilities and accrued expenses	7	<u>1,040</u>	<u>1,068</u>
		5,936	3,880
Total liabilities		<u><u>101,219</u></u>	<u><u>137,297</u></u>

Freegan Food Foundation, Sint Maarten

2.2 STATEMENT OF ACTIVITIES FOR THE YEAR 2021

		2021	2020
		\$	\$
Operating income	8	875,010	756,439
Cost of sales	9	<u>-642,795</u>	<u>-455,822</u>
Gross margin		232,215	300,617
Expenses			
Expenses of employee benefits	10	142,745	108,288
Depreciation		6,829	1,446
Other operating expenses	11	<u>120,775</u>	<u>66,927</u>
Total of sum of expenses		<u>270,349</u>	<u>176,661</u>
Total of net result		<u><u>-38,134</u></u>	<u><u>123,956</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 the foundation is to act as a food bank where manufacturers, distributors, wholesalers, retailers, companies or people can donate food or goods, which will then be collected and distributed to charitable/welfare homes, volunteer welfare organizations, poor families, the destitute in general and soup kitchens.

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.

Conversion of amounts denominated in foreign currency

The financial statements are denominated in US dollars. All transactions recorded in local currency ANG are calculated at an exchange rate of US\$1 = ANG 1.78.

Accounting principles

Property, plant and equipment

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.

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.

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2021

Fixed assets

1 Property, plant and equipment

	<i>Furniture and fixtures</i>	<i>Vehicles</i>	<i>Total</i>
	\$	\$	\$
Balance as at 1 January 2021			
Cost or manufacturing price	3,134	5,000	8,134
Accumulated depreciation	-751	-1,417	-2,168
Book value as at 1 January 2021	<u>2,383</u>	<u>3,583</u>	<u>5,966</u>
Movements			
Additions	4,468	36,471	40,939
Revaluations	-1,158	-	-1,158
Depreciation	-966	-5,863	-6,829
Balance movements	<u>2,344</u>	<u>30,608</u>	<u>32,952</u>
Balance as at 31 December 2021			
Cost or manufacturing price	7,602	41,471	49,073
Accumulated revaluations	-1,158	-	-1,158
Accumulated depreciation	-1,717	-7,280	-8,997
Book value as at 31 December 2021	<u>4,727</u>	<u>34,191</u>	<u>38,918</u>
Depreciation percentages	<u>20%</u>	<u>20%</u>	

Current assets

Receivables

	<u>31-12-2021</u>	<u>31-12-2020</u>
	\$	\$
2 Accounts Receivables		
Accounts receivables	<u>13,253</u>	<u>124,731</u>

The amounts presented under accounts receivables for the year ended December 31, 2021 and December 31, 2020 are referring to the bank account held at SNS Bank in the name of Freegan Food Stichting incorporated in the Netherlands.

For financial reporting purposes, we classified the donations received by Freegan Food Foundation St. Maarten via the bank account opened at SNS Bank as receivable considering that the funds have been subsequently used to financed the activities developed by Freegan Food St. Maarten.

Freegan Food Foundation, Sint Maarten

	<u>31-12-2021</u>	<u>31-12-2020</u>
	\$	\$
3 Other receivables		
Guarantee deposit	9,152	4,300
Accruals and prepaid expenses	<u>2,500</u>	<u>2,000</u>
	<u>11,652</u>	<u>6,300</u>

4 Cash and cash equivalents

Windward Islands Bank Ltd. (ANG account)	19,282	-
Windward Islands Bank Ltd. (USD account)	14,212	-
Funds from food waste program	3,602	-
Petty Cash	<u>300</u>	<u>300</u>
	<u>37,396</u>	<u>300</u>

The cash from donations and sales consist of funds received from donating partners and other income.

5 Foundation's capital

	<i>Undistributed result (incl. result for the year)</i>
	\$
Balance as at 1 January 2021	133,417
Result for the year	<u>-38,134</u>
Balance as at 31 December 2021	<u>95,283</u>

Short-term liabilities

6 Taxes and social security contributions

AOV/AWW payable	2,622	1,452
Wage tax payable	1,004	887
ZV/OV payable	936	104
AVBZ payable	<u>334</u>	<u>369</u>
	<u>4,896</u>	<u>2,812</u>

7 Other liabilities and accrued expenses

Net wages	<u>1,040</u>	<u>1,068</u>
-----------	--------------	--------------

Freegan Food Foundation, Sint Maarten

2.5 NOTES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR 2021

	<u>2021</u>	<u>2020</u>
	\$	\$
8 Operating income		
Other donations	332,165	753,308
Food bank program	315,351	-
Food waste program	115,942	-
Food market program	75,999	-
School fruits program	35,553	-
Catering services and events	-	490
Other income	-	2,641
	<u>875,010</u>	<u>756,439</u>
9 Cost of sales		
Cost of sales	<u>642,795</u>	<u>455,822</u>
Cost of sales		
Food purchases	554,890	379,263
Hygiene supplies	56,800	44,099
Packing material	28,931	29,036
Beverage purchases	1,406	29
Consumables and disposals	768	3,238
Turnover tax expenses	-	157
	<u>642,795</u>	<u>455,822</u>
10 Expenses of employee benefits		
Wages and salaries	116,743	86,093
Social security premiums	24,519	21,953
Other expenses of employee benefits	1,483	242
	<u>142,745</u>	<u>108,288</u>
The total amount of employees in 2021 was 7 (2020: 8).		
Social security premiums		
AOV/AWW premiums	12,879	11,607
ZV/OV premiums	10,145	8,778
AVBZ premiums	1,495	1,568
	<u>24,519</u>	<u>21,953</u>

Freegan Food Foundation, Sint Maarten

	<u>2021</u>	<u>2020</u>
	\$	\$
Other expenses of employee benefits		
Other staff expenses	1,071	242
Uniforms	<u>412</u>	<u>-</u>
	<u>1,483</u>	<u>242</u>
11 Other operating expenses		
Housing expenses	47,271	21,746
Selling expenses	4,096	5,767
Vehicle expenses	28,273	19,248
Office expenses	5,687	6,179
General expenses	<u>35,448</u>	<u>13,987</u>
	<u>120,775</u>	<u>66,927</u>
Housing expenses		
Rent	42,120	18,693
Utilities	4,050	1,729
Internet	998	1,285
Small housing investments	<u>103</u>	<u>39</u>
	<u>47,271</u>	<u>21,746</u>
Selling expenses		
Advertising expenses	1,777	1,981
Travelling and hotel expenses	1,155	-
Representation expenses	1,143	846
Freight expenses	<u>21</u>	<u>2,940</u>
	<u>4,096</u>	<u>5,767</u>
Vehicle expenses		
Fuel	26,973	17,353
Other vehicle expenses	<u>1,300</u>	<u>1,895</u>
	<u>28,273</u>	<u>19,248</u>
Office expenses		
Computer expenses	2,686	1,719
Telephone expenses	2,484	3,847
Office supplies	<u>517</u>	<u>613</u>
	<u>5,687</u>	<u>6,179</u>

Freegan Food Foundation, Sint Maarten

	<u>2021</u>	<u>2020</u>
	\$	\$
General expenses		
Logistic expenses	21,844	7,483
Professional fees	3,680	3,000
Insurance premium	3,288	335
Bank expenses	3,278	1,726
Other expenses	2,251	895
Business licenses and permits	594	155
Accounting fees	300	393
Litigation expenses	213	-
	<u>35,448</u>	<u>13,987</u>