REPORT TO THE BOARD OF DIRECTORS

FEEDMORE WESTERN NEW YORK, INC.
AND RELATED ENTITIES

DECEMBER 31, 2023

May 24, 2024

Board of Directors
FeedMore Western New York, Inc.
and Related Entities
100 James E. Casey Drive
Buffalo, NY 14206

We are pleased to present this report related to our audit of the consolidated financial statements of FeedMore Western New York, Inc. and Related Entities (the Organization) as of and for the year ended December 31, 2023. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Organization's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Organization.

[Firm Signature]

TABLE OF CONTENTS

REQUIRED COMMUNICATIONS

Auditing standards generally accepted a in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the consolidated financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our engagement letter dated April 22, 2024. Our audit of the consolidated financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated April 22, 2024 regarding the planned scope and timing of our audit and identified significant risks.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices
Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies
Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Company. The Company did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies
We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions
We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates
Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the Organization are shown in the attached list of Recorded Audit Adjustments.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Observations About the Audit Process

Disagreements With Management
We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the consolidated financial statements.

Consultations With Other Accountants
We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed With Management
No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit
We did not encounter any significant difficulties in dealing with management during the audit.

Difficult or Contentious Matters That Required Consultation
We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Shared Responsibilities for Independence

Independence is a **joint responsibility** and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) independence rules. For Freed Maxick CPA's, P.C. (Freed Maxick) to fulfill its professional responsibility to maintain and monitor independence, management, the Board of Directors, and Freed Maxick each play an important role.

Our Responsibilities
- AICPA and GAO rules require independence both of mind and in appearance when providing audit and other attestation services. Freed Maxick is to ensure that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The Organization's Responsibilities
- Timely inform Freed Maxick, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, or officers.
  - Changes in the organizational structure or the reporting entity impacting affiliates such as subsidiaries, partnerships, related entities, investments, joint ventures.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the Organization and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with Freed Maxick.
- Not entering into arrangements of nonaudit services resulting in Freed Maxick being involved in making management decisions on behalf of the Organization.
- Not entering into relationships resulting in close family members of Freed Maxick covered persons, temporarily or permanently acting as an officer, director, or person in an accounting, financial reporting or compliance oversight role at the Organization.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the Organization, including the representation letter and engagement letter provided to us by management, are attached as Exhibit A.

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in the Organization's December 31, 2023 consolidated financial statements.

Significant Accounting Estimates	
Accounts Receivable Allowance	
Accounting policy	Management estimates and establishes an allowance for doubtful accounts based on collection history and current credit conditions.
Management's estimation process	At year-end, management reviews the pledges, grants, and accounts receivable detail and identifies old or questionable receivables and establishes a reserve.
Basis for our conclusion on the reasonableness of the estimate	Management's process to evaluate receivables and establish an allowance appears reasonable.
Valuation of Donated Inventory	
Accounting policy	Donated inventory received is recorded as revenue utilizing a rate per pound.
Management's estimation process	Management utilizes a rate per pound provided by Feeding America as well as values supplied by the NYS Office of General Services to estimate the value of donated inventory.
Basis for our conclusion on the reasonableness of the estimate	Management's process to value donated inventory appears reasonable.
Functional Expenditures	
Accounting policy	Management estimates expenditures by functional class of major program services and supporting activities.
Management's estimation process	At year-end, management reviews and identifies expenditures attributable to a functional category and allocates expenditures that relate to more than one functional expense.
Basis for our conclusion on the reasonableness of the estimate	The process used by management appears reasonable.
Investments	
Accounting policy	The Organization's investments are valued at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, the Organization follows FASB Topic 820, "Fair Value Measurements" as it defines fair value and establishes a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. This hierarchy prioritizes the inputs into three broad levels of Level 1, 2, or 3.
Management's estimation process	Management has described the valuation techniques used for valuing investments at fair value in the consolidated financial statement footnotes. Additionally, management has broken out the investment into Level 1, 2, or 3 based on valuation hierarchy.

Significant Accounting Estimates	
Basis for our conclusion on the reasonableness of the estimate	Management's process to evaluate fair value and establish the fair value hierarchy for its investments appears reasonable.

FeedMore Western New York, Inc. and Related Entities
Summary of Recorded Audit Adjustments
Year Ended December 31, 2023

Number	Entity	Name	Account No	Debit	Credit
1	Agency	Software	15400	58,194	
1	Agency	Software	16400	58,194	
1	Agency	Software Fees	83240		58,194
1	Agency	Depr - Software	88400		58,194
		Entry to capitalize software costs expensed during 2023.		116,388	116,388
2	Agency	Opening Balance	30000	88	
2	Agency	Fees Svcs	82000		88
		Entry to roll net assets.		88	88
3	Hearty Helpings	Salaries	71000	38,268	
3	Hearty Helpings	Accrued PTO	24900		38,268
		Entry to agree salaries expense to reconciliation.		38,268	38,268
4	Agency	Accrued PTO	24900		58,717
4	Agency	Accrued Sick Bank	24950	556	
4	Agency	Salaries	71000	58,161	
		Entry to adjust PTO accrual to actual at year end.		58,717	58,717
5	Agency	Software PPD	13120		38,664
5	Agency	Accounts Payable	20000	43,848	
5	Agency	Software Fees	83240		5,184
		Entry to reverse out invoice that was improperly included in AP and prepaid expense as of year end.		43,848	43,848

EXHIBIT A

Significant Written Communications Between Management and Our Firm

Engagement Letter – see attached

Representation Letter – see attached