sorren CPAs, PC

Financial Statements

Idaho Foodbank Warehouse, Inc.
(a nonprofit organization)
Year Ended April 30, 2026

The Idaho Foodbank

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Idaho Foodbank Warehouse, Inc.
Meridian, Idaho

Opinion

We have audited the financial statements of Idaho Foodbank Warehouse, Inc. (a nonprofit organization), which comprise the statement of financial position as of April 30, 2026, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Idaho Foodbank Warehouse, Inc., as of April 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Idaho Foodbank Warehouse, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho Foodbank Warehouse, Inc.'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2026, on our consideration of Idaho Foodbank Warehouse, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Idaho Foodbank Warehouse, Inc.'s internal control over financial reporting and compliance.

Sorren CPAs P.C.

Meridian, Idaho
August 13, 2026

IDAHO FOODBANK WAREHOUSE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF APRIL 30, 2026

ASSETS

Current Assets	
Cash and cash equivalents	$ 3,229,978
Restricted cash - Idaho Foodbank Fund	128,766
Accounts receivable	81,466
Promises to give - current portion	401,297
Food inventory	2,977,534
Prepaid expenses and other assets	109,724
Total Current Assets	6,928,765
Investments	18,302,714
Property and equipment, net	15,179,990
Promises to give - long-term, net	112,832
Endowment investments	985,890
Total Assets	$ 41,510,191

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	$ 357,679
Idaho Foodbank Fund	128,766
Accrued expenses and compensated absences	385,083
Total Current Liabilities	871,528
Long-Term Liabilities	
Long-term debt	60,803
Total Liabilities	932,331
Net Assets	
Without donor restrictions	36,477,441
With donor restrictions	4,100,419
Total Net Assets	40,577,860
Total Liabilities and Net Assets	$ 41,510,191

IDAHO FOODBANK WAREHOUSE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2026

Monetary Transactions	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Program services	$ 6,125	$ 0	$ 6,125
Power of purchase sales, net	1,252	0	1,252
Special events, net	1,383,322	298,035	1,681,357
Contributions	9,543,932	3,441,286	12,985,218
Federal/State grants	0	679,538	679,538
Investment return, net	3,368,100	0	3,368,100
Real estate income	3,000	0	3,000
Loss on disposal of assets, net	(53,732)	0	(53,732)
Other sources	9,307	0	9,307
Total revenues and support	14,261,306	4,418,859	18,680,165
Released from Restriction	4,206,696	(4,206,696)	0
	18,468,002	212,163	18,680,165
Expenses			
Administration	1,358,519	0	1,358,519
Fundraising	2,743,891	0	2,743,891
Program	10,730,916	0	10,730,916
Total expenses	14,833,326	0	14,833,326
Change in Monetary Net Assets	3,634,676	212,163	3,846,839
In-Kind Transactions			
Revenues and Support			
Contributions - In-kind	324,827	0	324,827
Grants to other organizations	34,000	0	34,000
Food contributions	0	43,438,629	43,438,629
Total revenues and support	358,827	43,438,629	43,797,456
Released from Restriction	44,817,033	(44,817,033)	0
	45,175,860	(1,378,404)	43,797,456
Expenses			
Administration	7,011	0	7,011
Fundraising	204,934	0	204,934
Program	44,979,105	0	44,979,105
Total Expenses	45,191,050	0	45,191,050
Change in In-Kind Net Assets	(15,190)	(1,378,404)	(1,393,594)
Total Change in Net Assets	3,619,486	(1,166,241)	2,453,245
Net Assets, Beginning of Year	32,857,955	5,266,660	38,124,615
Net Assets, End of Year	$ 36,477,441	$ 4,100,419	$ 40,577,860

See Notes to Financial Statements

IDAHO FOODBANK WAREHOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED APRIL 30, 2026

	Program Services				Supporting Activities			
	Food Distribution	Nutritional Services	Cost of Goods Sold	Program Total	Admin	Fundraising & Development	Supporting Total	Total All Funds
Food purchased/donated and distributed	$ 48,158,314	$ 627,466	$ 62,310	$ 48,848,090	$ 0	$ 0	$ 0	$ 48,848,090
Salary and fringe benefits	3,011,398	1,312,075	0	4,323,473	972,587	1,435,851	2,408,438	6,731,911
Professional fees	126,553	19,263	0	145,816	185,073	492,653	677,726	823,542
Direct mail costs	0	0	0	0	0	719,446	719,446	719,446
Supplies	229,702	69,598	0	299,300	62,284	84,675	146,959	446,259
Depreciation and amortization	898,696	0	0	898,696	0	0	0	898,696
Vehicle and equipment maintenance	471,987	44,695	0	516,682	3,459	1,983	5,442	522,124
Occupancy	363,224	16,195	0	379,419	6,554	13,965	20,519	399,938
Other operating expenses	169,548	37,237	0	206,785	110,758	348,406	459,164	665,949
Grants to other organizations	38,979	59,417	0	98,396	0	0	0	98,396
Travel and training	31,662	29,771	0	61,433	24,815	24,395	49,210	110,643
Transfers between programs	(539,168)	539,168	0	0	0	0	0	0
Total Expenses	52,960,895	2,754,885	62,310	55,778,090	1,365,530	3,121,374	4,486,904	60,264,994
Less expenses included with revenues on the statement of activities								
Cost of goods sold	0	0	(62,310)	(62,310)	0	0	0	(62,310)
Direct expenses	(2,955)	(2,804)	0	(5,759)	0	(172,549)	(172,549)	(178,308)
Total expenses included in the expense section on the statement of activities	$ 52,957,940	$ 2,752,081	$ 0	$ 55,710,021	$ 1,365,530	$ 2,948,825	$ 4,314,355	$ 60,024,376

IDAHO FOODBANK WAREHOUSE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2026

Operating Activities	
Cash provided by program services	$ 6,000
Cash provided by power of purchase sales, net	10,142
Cash provided by contributions and events	14,449,672
Cash provided by federal/state grants	658,588
Cash provided by investment earnings	578,669
Cash provided by other sources	12,306
Net cash provided by the Idaho Foodbank Fund	11,858
Payments to vendors	(6,912,529)
Payments for salaries, benefits and taxes	(6,686,785)
Net Cash provided by Operating Activities	2,127,921
Investing Activities	
Purchase of property and equipment	(293,391)
Gain from purchase/sale of investments, net	505,658
Net Cash provided by Investing Activities	212,267
Net Change in Cash, Cash Equivalents, and Restricted Cash	2,340,188
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	1,018,556
Cash, Cash Equivalents, and Restricted Cash, End of Year	$ 3,358,744
Cash and Cash Equivalents	$ 3,229,978
Restricted Cash - Idaho Foodbank Fund	128,766
Total Cash, Cash Equivalents, and Restricted Cash	$ 3,358,744
Supplemental Disclosure of Noncash Investing and Financing Activities	
Donated property and equipment	$ 77,480

Note A – Principal Business Activity and Significant Accounting Policies

Activity

The Idaho Foodbank Warehouse, Inc. (the Organization) is a nonprofit established to collaborate with the food industry and partnership agencies to feed the hungry throughout the State of Idaho. The Organization operates warehouse facilities in Meridian, Lewiston and Pocatello through which it distributes donated and purchased food to a statewide network of community partners. In addition, the Organization operates direct service programs which include Mobile Pantry, Backpack, School Pantry, Cooking Matters, Commodity Supplemental Food Program, and the Temporary Emergency Food Assistance Program.

Basis of Accounting

The financial statements of Idaho Foodbank Warehouse, Inc. have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturities of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short-term maturities.

Restricted Cash – The Idaho Foodbank Fund

The Idaho Foodbank Fund was established by the 2009 Idaho Legislature and gives Idaho taxpayers the opportunity to help hunger relief organizations through a "check-off" donation on their state tax return. Contributions assist Idaho hunger relief organizations in meeting the increasing demand for emergency food. Contributions provide Idaho community-based nonprofit groups with grants to increase their capacity to provide hunger relief services and/or nutrition education programs in Idaho. The Idaho Foodbank Fund is a statewide collaboration administered by the Idaho Foodbank and Catholic Charities of Idaho.

The funds from Idaho taxpayers are sent to the Idaho Foodbank on a monthly basis and are maintained by Foodbank employees throughout the year. Annual grant applications are collected and presented to the statewide collaboration organizations who review and award the grants. Idaho Foodbank accounting staff manage the process as well as creates and tracks the grant awards and payments.

Investments

Investment purchases are recorded at cost, or if donated, at fair value at the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Note A – Principal Business Activity and Significant Accounting Policies (Continued)

Receivables and Credit Policies

Receivables represent amounts due from various agencies and organizations for payment of handling fees. 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 credit-worthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. Past due balances over 90 days and other higher risk amounts are reviewed individually for collectability. If the financial condition of the Organization's customers 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 accounts receivable. Management has determined that no allowance for credit losses is considered necessary as of April 30, 2026.

Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statement of financial position. Contract liabilities, if any, are reported as unearned revenue in the accompanying statement of financial position.

Promises to Give

Promises to give expected to be collected within one year are recorded at net realizable value. Promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue on the statement of activities. Management determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. At April 30, 2026, there was no allowance for doubtful accounts.

Food Inventory

Donated food inventory consists of donated food and other products that are valued at an average donated value per pound. In accordance with Feeding America's Valuation Survey, which is performed annually by RSM US, LLP, the average value of donated food and other products was $1.92 per pound as of April 30, 2026. Donated food and other products at April 30, 2026 was 924,950 pounds totaling $1,775,904.

United States Department of Agriculture (USDA) donated food inventory represent commodities (bulk food products) received under government programs for distribution. In accordance with USDA Food Distribution Policy FD-104, USDA donated food is valued at the food only price per pound of $1.69 contained in Feeding America's Valuation Survey. Donated USDA food at April 30, 2026 was 550,684 pounds totaling $930,656.

Note A – Principal Business Activity and Significant Accounting Policies (Continued)

Food Inventory (Continued)

Purchased food inventory consists of food purchased by the Idaho Foodbank Warehouse, Inc. and is valued at the lower of actual cost or net realizable value. At April 30, 2026, purchased food inventory totaled 455,631 pounds with a value of $270,974.

Property and Equipment

Property and equipment acquired with a value over $5,000 are capitalized and stated at cost or fair market value at time of purchase or donation. Assets are being depreciated using the straight-line method over the estimated useful lives ranging from 3 to 39 years.

The carrying value of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. The Organization has determined that no long-lived assets were impaired during the year ended April 30, 2026.

Net Assets

The net assets of the Organization are reported in each of the following two classes: (a) Net Assets Without Donor Restrictions, and (b) Net Assets With Donor Restrictions. Under these provisions, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

> Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.
>
> Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met by the actions of Idaho Foodbank Warehouse, Inc. and/or the passage of time or other events specified by the donor. Idaho Foodbank Warehouse, Inc. reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Note A – Principal Business Activity and Significant Accounting Policies (Continued)

Revenue and Revenue Recognition

The organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions.

The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for excess received when the event takes place.

Idaho Foodbank Warehouse, Inc. records various types of in-kind support including contributed property and equipment, professional services and materials. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, and are valued as the service's fair market value if purchased. Contributions of tangible assets are recognized at fair market value when received. The total amount contributed related to donated gift cards is $96,120, donated use of facilities is $4,104, materials and supplies is $72,425, professional services is $11,784, donated vehicle lease and transportation is $25,280, donated equipment is $77,480, grants to other organizations is $34,000, donated transportation is $501, and other is $37,133 for the year ended April 30, 2026. Cash donations, purchased goods and services are reflected as monetary contributions and corresponding expenses on the accompanying statement of activities in accordance with current accounting standards.

Additionally, Idaho Foodbank Warehouse, Inc. receives a significant amount of contributed time from volunteers which does not meet the recognition criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Advertising Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the year ended April 30, 2026 was $6,431.

Note A – Principal Business Activity and Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated based on headcount, as well as warehouse and related expenses which are allocated based on pounds of food.

The remaining expenses that are allocated include salaries and fringe benefits, professional fees, direct mail costs, supplies, vehicle and equipment maintenance, other operating expenses, grant and contract expenses, and travel and training, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Organization is organized as an Idaho nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifies for the charitable contribution deduction under Sections 170(b)(1)(A)(vi), and has been determined not to be a private foundations under Sections 509(a)(1). The Organization is annually required to file a Return of Organization Exempt From Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes.

The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. Management has determined that the Organization is not subject to unrelated business income tax for the year ended April 30, 2026.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Note A – Principal Business Activity and Significant Accounting Policies (Continued)

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. Usually, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of the mission. Investments are made by diversified investment managers whose performance is monitored by Management and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, Management and the Board of Directors believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Subsequent Events

The Organization has evaluated subsequent events through August 13, 2026, the date which the financial statements were issued.

Note B – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following:

Cash and cash equivalents	$ 3,229,978
Investments	18,302,714
Accounts receivable	81,466
Promises to give, net	392,870
Total financial assets available within one year	22,007,028
Less amounts unavailable for general expenditures due to Restrictions by donors with purpose restrictions	(1,544,619)
Total financial assets available within one year after restrictions	$ 20,462,409

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At April 30, 2026, all net assets with donor restrictions are available for payment of any major expenditures incurred. The Organization has an endowment of $985,890. Although the Organization does not intend to spend from its endowment other than the amounts appropriated as part of the annual budget approval and appropriation process, allocations from the endowment could be made available if necessary. The endowment assets and restrictions are not included in the above table.

Note C – Investments

Investments as of April 30, 2026, are summarized as follows:

Cost	$ 16,644,066
Unrealized gain	2,644,538
Fair value	$ 19,288,604

For the year ended April 30, 2026, investment income in the statement of activities included the following:

Interest and dividends	$ 577,199
Realized gain (loss)	1,166,790
Unrealized gain (loss)	1,622,641
Other investment income (loss)	1,470
Total investment income (loss)	$ 3,368,100

Note D – Fair Value of Assets and Liabilities

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

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
Level 2	Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value instrument.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Organization's investments are held in mutual funds, which have been determined to be Level 1 assets.

Note D – Fair Value of Assets and Liabilities (Continued)

The preceding methods 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.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments and other assets at fair value measured on a recurring basis as of April 30, 2026:

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
Mutual funds:				
Taxable fixed income bonds	$ 7,847,146	$ 7,847,146	$ 0	$ 0
Emerging markets	1,698,913	1,698,913		
Large cap stock funds	4,689,717	4,689,717		
Small/Mid cap funds	1,476,263	1,476,263		
International funds	1,726,017	1,726,017		
Natural resources	354,962	354,962		
Global listed infrastructure	567,892	567,892		
Real estate funds	898,486	898,486		
Total mutual funds	19,259,396	$ 19,259,396	$ 0	$ 0
Accrued interest	29,208			
Total investments	$ 19,288,604			

Note E – Property and Equipment

At April 30, 2026, property and equipment consisted of the following:

Land and land improvements	$ 1,860,470
Buildings and leasehold improvements	15,728,103
Furniture, fixtures, and equipment	1,362,067
Vehicles	1,734,593
	20,685,233
Less accumulated depreciation	(5,505,243)
	$ 15,179,990

Depreciation and amortization expense for the year ended April 30, 2026 was $898,696.

Note F – Unconditional Promises to Give

Unconditional promises to give at April 30, 2026 are as follows:

Unconditional promises to give in less than one year	$ 401,297
Unconditional promises to give in more than one year	121,000
Total unconditional promises to give	522,297
Less discount on long term promises to give	(8,168)
Net unconditional promises to give	$ 514,129

The discount rate used on long term promises to give was 6.75%. Management anticipates all promises to give to be collectible and does not deem an allowance for uncollectible promises to give to be necessary.

Note G – Defined Contribution Plan

Idaho Foodbank Warehouse, Inc. sponsors a 401(k) plan for employees, a defined contribution plan to which it will match employee contributions dollar for dollar up to the maximum of 4.5% of the employee's gross salary figured on a bi-weekly basis. Employees will be auto enrolled in the program at the beginning of the month following their hire date at 2% which can be adjusted or opted out of at any time. Eligible employees include part-time employees as well as full-time employees and excludes seasonal or temporary employees. The total employer matching for the year ended April 30, 2026 was $214,316.

Note H – Long Term Debt

At April 30, 2026, long term debt consisted of the following:

Three notes payable to the City of Pocatello due in full upon the sale of the Pocatello warehouse. The interest rate is 0% and the notes are secured by a deed of trust on the building.	$ 60,803

At April 30, 2026, the Organization has no intention of selling the building.

Note I – Endowment

The Idaho Foodbank Warehouse, Inc.'s endowment includes funds designated by the Board of Directors to function as an endowment. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The management of the Idaho Foodbank Warehouse, Inc. has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts including promises to give net of discount and allowance for doubtful accounts including promises to give donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in manner consistent with the standard of prudence described by SPMIFA. The following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

The endowment is entirely board designated. As of April 30, 2026, there were no donor restricted balances or transactions related to the endowment.

Changes in endowment net assets without donor restrictions for the year ended April 30, 2026 are as follows:

Endowment net assets, beginning of year	$	826,509
Investment return:		
Interest and dividends		27,995
Net realized and unrealized gains and (losses)		131,386
Endowment net assets, end of year	$	985,890

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that obtains a maximum return consistent with a prudent investment style to reduce risk of both principal and income.

Note I – Endowment (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that includes both fixed-income and equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy that no distributions of the corpus are to be made unless a declaration of a state of emergency is made and two-thirds of the Board of Directors votes positively to use the funds to address the emergency. Annual income from the funds may be applied as determined by the Organization. Any unspent income becomes part of the corpus.

Note J – Net Assets

The detail of the Organization's net asset categories at April 30, 2026 is as follows:

Without donor restrictions:	
Amounts invested in property, plant and equipment	$ 15,179,990
Board designated endowment fund	985,890
Undesignated surplus	20,311,561
Total net assets without donor restrictions	36,477,441
With donor restrictions:	
Restricted programs	1,172,784
Food and other products for distribution	2,555,800
Donations for future food expenditures, time restricted	371,835
Total net assets with donor restrictions	4,100,419
Total net assets	$ 40,577,860

Net Assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended April 30, 2026:

Restricted programs	$ 3,356,673
Food and other products for distribution	44,817,033
Time restriction	850,023
	$ 49,023,729

ADDITIONAL INFORMATION

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Idaho Foodbank Warehouse, Inc.
Meridian, Idaho

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Idaho Foodbank Warehouse, Inc. (a nonprofit organization), which comprise the statement of financial position as of April 30, 2026, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Idaho Foodbank Warehouse, Inc.'s internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Idaho Foodbank Warehouse, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Idaho Foodbank Warehouse, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sorren CPAs P.C.

Meridian, Idaho
August 13, 2026

sorren CPAs P.C.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Idaho Foodbank Warehouse, Inc.
Meridian, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Idaho Foodbank Warehouse, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Idaho Foodbank Warehouse, Inc.'s major federal programs for the year ended April 30, 2026. Idaho Foodbank Warehouse, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Idaho Foodbank Warehouse, Inc. complied, in all material respects, with the type of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2026.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Idaho Foodbank Warehouse, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Idaho Foodbank Warehouse, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Idaho Foodbank Warehouse, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Idaho Foodbank Warehouse, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Idaho Foodbank Warehouse, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Sorren CPAs P.C.

Meridian, Idaho
August 13, 2026

IDAHO FOODBANK WAREHOUSE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended April 30, 2026

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed-Through to Subrecipients
U.S. Department of Agriculture				
Food Distribution Cluster				
Passed through Idaho Commission on Aging				
Commodities Supplemental Food Program - Administrative Costs	10.565	202626Y800547	$ 246,000	$ 0
Commodities Supplemental Food Program - Food Commodities	10.565	202626Y800547	1,304,798	1,226,389
Passed through Idaho Department of Health and Welfare				
The Emergency Food Assistance Program - Administrative Costs	10.568	TEFAP-1025/26	433,539	0
The Emergency Food Assistance Program - Food Commodities	10.569	TEFAP-1025/26	2,836,885	1,155,207
Total Food Distribution Cluster			4,821,222	2,381,596
Total U.S. Department of Agriculture			4,821,222	2,381,596
Total Federal Financial Assistance			$ 4,821,222	$ 2,381,596

See notes to schedule of expenditures of federal awards.

IDAHO FOODBANK WAREHOUSE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A – Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the Idaho Foodbank Warehouse, Inc. (the Organization), under programs of the federal government for the year ended April 30, 2026. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Note B – Summary Of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting, except for subrecipient expenditures, which are recorded on a cash basis. When applicable, such expenditures are recognized following the cost principles contained in Cost Principles of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization has not elected to use the 10% de minimus cost rate.

Note C - Food Donation

At April 30, 2026, the Idaho Foodbank Warehouse, Inc. had received and disbursed food commodities in the amount of $4,141,683 and had food commodities totaling $930,656 of food contributed by federal programs included in year-end inventories.

Nonmonetary assistance is reported in the schedule of expenditures of federal awards at the value of its food donated and distributed using the price per pound provided by Feeding America. See Note A of the audited financial statements for further detail.

IDAHO FOODBANK WAREHOUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended April 30, 2026

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements:

Type of auditors' report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness identified?	_____ yes	__X__ no	
• Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	__X__ no	none reported
Noncompliance material to the financial statements noted?	_____ yes	__X__ no	

Federal Awards:

Internal control over major programs:			
• Material weakness identified?	_____ yes	__X__ no	
• Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	__X__ no	none reported
Type of auditors' report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	_____ yes	__X__ no	

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
10.565, 10.568, 10.569	Food Distribution Cluster

Dollar threshold used to distinguish between type A and type B programs:	$ 1,000,000		
Auditee qualified as a low-risk auditee?	__X__ yes	_____ no	

SECTION II – FINANCIAL STATEMENT FINDINGS

No findings related to the financial statements were noted which would be required to be reported under generally accepted *Governmental Auditing Standards* (GAGAS).

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings related to the federal awards were noted which would be required to be reported under generally accepted *Governmental Auditing Standards* (GAGAS).

IDAHO FOODBANK WAREHOUSE, INC.
SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended April 30, 2026

No prior audit findings, whether resolved or unresolved, were identified for Idaho Foodbank Warehouse, Inc.