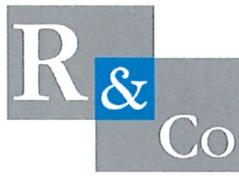


LAND FOR GOOD, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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RUST & COMPANY CPAs
certified public accountants | business advisors

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Land For Good, Inc.

We have reviewed the accompanying financial statements of Land for Good, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We previously reviewed Land for Good, Inc.'s 2019 financial statements and in our conclusion dated September 30, 2020, stated that based on our review, we were not aware of any material modifications that should be made to the 2019 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2019, for it to be consistent with the reviewed financial statements from which it has been derived.

Rust & Company CPAs

Swanzy, NH

August 2, 2021

LAND FOR GOOD, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Cash & cash equivalents	\$ 96,667	\$ 59,927
Accounts receivable	10,615	22,640
Grants receivable	<u>20,000</u>	<u>5,000</u>
Total current assets	127,282	87,567
Note receivable	28,696	67,822
Grants receivable	20,000	-
Security deposit	-	400
Prepaid expenses	20	-
Prepaid payroll	<u>-</u>	<u>7,601</u>
TOTAL ASSETS	<u>\$ 175,998</u>	<u>\$ 163,390</u>
LIABILITIES		
Accounts payable	\$ 6,038	\$ 10,927
Accrued payroll liabilities	3,355	708
Accrued payroll	<u>15,168</u>	<u>25,226</u>
Total current liabilities	<u>24,561</u>	<u>36,861</u>
TOTAL LIABILITIES	<u>24,561</u>	<u>36,861</u>
NET ASSETS		
Without donor restrictions	151,437	121,529
With donor restrictions	<u>-</u>	<u>5,000</u>
TOTAL NET ASSETS	<u>151,437</u>	<u>126,529</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 175,998</u>	<u>\$ 163,390</u>

See notes to financial statements and independent accountant's review report.

LAND FOR GOOD, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
CONTRIBUTIONS				
Grants	\$ 343,688	\$ -	\$ 343,688	\$ 300,182
Donations	85,816	-	85,816	60,149
EXCHANGE TRANSACTIONS				
Program revenue	80,681	-	80,681	96,047
Consulting	480	-	480	-
OTHER INCOME				
Miscellaneous	11,547	-	11,547	4,929
Interest	887	-	887	1,327
Total support and revenue	<u>523,099</u>	<u>-</u>	<u>523,099</u>	<u>462,634</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>528,099</u>	<u>(5,000)</u>	<u>523,099</u>	<u>462,634</u>
EXPENSES				
Program	468,572	-	468,572	541,854
Management and general	19,405	-	19,405	19,304
Fundraising	10,214	-	10,214	8,456
Total expenses	<u>498,191</u>	<u>-</u>	<u>498,191</u>	<u>569,614</u>
CHANGE IN NET ASSETS	29,908	(5,000)	24,908	(106,980)
NET ASSETS, beginning of year	<u>121,529</u>	<u>5,000</u>	<u>126,529</u>	<u>233,509</u>
NET ASSETS, end of year	\$ <u><u>151,437</u></u>	\$ <u><u>-</u></u>	\$ <u><u>151,437</u></u>	\$ <u><u>126,529</u></u>

See notes to financial statements and independent accountant's review report.

LAND FOR GOOD, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020			2019	
	Program	Management and General	Fundraising	Total	Total
Bank and miscellaneous fees	\$ 1,152	\$ 59	\$ 31	\$ 1,242	\$ 687
Communications	7,365	377	199	7,941	7,031
Contract services	69,104	-	-	69,104	50,020
Depreciation	-	-	-	-	124
Dues and memberships	1,093	56	29	1,178	922
Employee benefits	6,816	349	184	7,349	5,573
Insurance	2,543	130	69	2,742	2,920
Marketing	112	6	3	121	3,257
Meetings and conferences	367	-	-	367	1,579
Occupancy	5,231	-	-	5,231	18,534
Office expenses	11,439	568	299	12,306	20,902
Payroll taxes	22,573	1,156	608	24,337	24,384
Professional fees	45,620	2,336	1,230	49,186	42,768
Program fees	2,082	-	-	2,082	3,030
Repairs and maintenance	1,240	-	-	1,240	803
Salaries and wages	268,240	14,219	7,484	289,943	319,665
Stipends	16,962	-	-	16,962	25,381
Travel	6,633	149	78	6,860	42,034
	<u>\$ 468,572</u>	<u>\$ 19,405</u>	<u>\$ 10,214</u>	<u>\$ 498,191</u>	<u>\$ 569,614</u>

See notes to financial statements and independent accountant's review report.

LAND FOR GOOD, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 24,908	\$ (106,980)
Adjustments to reconcile change in net assets to net cash used for operating activities:		
Depreciation	-	124
Accounts receivable	12,025	24,520
Grants receivable	(35,000)	5,000
Security deposit	400	-
Prepaid expenses	(20)	-
Prepaid payroll	7,601	(7,601)
Accounts payable	(4,889)	4,180
Accrued payroll liabilities	2,647	(164)
Accrued payroll	<u>(10,058)</u>	<u>10,308</u>
Net used for operating activities	<u>(2,386)</u>	<u>(70,613)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Note receivable	<u>39,126</u>	<u>18,694</u>
Net cash provided by investing activities	<u>39,126</u>	<u>18,694</u>
NET INCREASE (DECREASE) IN CASH	36,740	(51,919)
CASH & CASH EQUIVALENTS, beginning of year	<u>59,927</u>	<u>111,846</u>
CASH & CASH EQUIVALENTS, end of year	<u>\$ 96,667</u>	<u>\$ 59,927</u>

See notes to financial statements and independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Land For Good, Inc. (the Organization) is a New Hampshire non-for-profit corporation whose purpose is to keep New England's farmers and agricultural land working and to help people get into, care for, and pass on farms and other agricultural properties. The Organization's primary sources of revenue are grants, program fees, and contributions.

The financial statements of **Land For Good, Inc.** have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and are prepared under the guidance of the Financial Accounting Standards Board *Accounting Standards Codification* ("*FASB ASC*").

FASB ASC 958-605 requires the Organization to distinguish between contributions that increase net assets without donor restrictions and net assets with donor restrictions. It also requires recognition of contributed services that meet certain criteria at fair values. Additionally, under the guidance of FASB ASC 958-905, unconditional promises to give that are expected to be paid in less than one year are measured at net realizable value (settlement value). Conditional promises to give, which depend on the occurrence of a specific future and uncertain event to bind the promisor, are recognized when the conditions on which they depend are substantially met.

FASB ASC 958-205 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a Statement of Financial Position, a Statement of Activities and Changes in Net Assets, and a Statement of Cash Flows.

The two classes of net assets, based on the absence or existence of donor-imposed restrictions, are defined as follows:

Net assets without donor restrictions - not subject to donor-imposed restrictions, or the donor-imposed restrictions have expired.

Net assets with donor restrictions - subject to donor-imposed stipulations that may be fulfilled by actions of the Organization, become unrestricted by the passage of time or must be retained and invested permanently by the Organization.

See independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition and New Accounting Pronouncement

Revenue is recognized when earned. Program service fees and payments received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Contributions and grants are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

In 2020, the Organization adopted ASC 606, Revenue from Contracts with Customers, which amended the existing accounting standards for revenue recognition. The core principle of the new guidance is that an organization should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The new revenue standard does not have a material impact on the amount and timing of revenue recognized in the Organization's financial statements.

Revenues and Expenses

Revenues are reported as increases in net assets without donor restriction unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization classifies donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Contributions

The Organization accounts for contributions and grants in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions and grants received are recorded as increases in net assets with donor restrictions or without donor restrictions, depending on the existence or nature of any donor restrictions. Contributions, including unconditional promises to give, are recognized in the period the contribution or promise is made. Unconditional promises expected to be collected in future years are recorded at present value. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the condition. Support with donor restriction that was initially a conditional contribution and for which the donor-imposed conditions and restrictions are met in the same reporting period are reported as increases in net assets without donor restriction. Unconditional support with donor restrictions where restrictions are met in the same period are also reported as increases in net assets without donor restriction.

Functional Allocation of Expenses

The costs of providing program, management and general, and fundraising activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets and the Statements of Functional Expenses. The Organization allocates its expenses on a functional basis to its various programs. Expenses that can be identified within a specific program are recorded directly to their natural expense classification. Other expenses that are common to several functions are allocated using the Full Time Employee (FTE) method to allocate costs among program, management and general, and fundraising activities. Accordingly, certain costs have been allocated among the functional expenses based on a percentage of direct labor. These allocations are reviewed quarterly.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash in checking accounts. The Organization maintains a bank account at People's United Bank and the Federal Deposit Insurance Corporation (FDIC), which insures the Organization's account up to a maximum of \$250,000. The Organization's cash and cash equivalents was \$96,667 and \$59,927 for the years ended December 31, 2020 and 2019, respectively.

Income Tax Status

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). Accordingly, no income tax liability has been recorded in the financial statements. All information returns of the Organization are open to examination by taxing authorities, subject to the statute of limitations rules. Management does not believe the results of examinations, if any, will significantly affect the amounts previously reported.

Property and Equipment

Expenditures for acquisitions, renewals and betterments over \$2,500 or more are capitalized, whereas maintenance and repair costs are expensed as incurred. When equipment is retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation and any resulting gain or loss is recognized. Donated equipment is recorded at fair market value at the date of the donation. Purchased equipment is recorded at cost.

The Organization charges to expense annual amounts of depreciation, which allocate the cost of fixed assets over the following useful lives using the straight-line method:

	<u>YEARS</u>
Equipment and vehicles	5

Donated Services

No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization to fulfill its charitable mission.

Marketing

The Organization expenses marketing costs the first time the advertising occurs. Marketing was \$121 and \$3,257 for the years ended December 31, 2020 and 2019, respectively.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to bad debts and a credit to accounts receivable. At December 30, 2020 and 2019, the allowance for doubtful accounts was \$0.

Reclassifications

As a result of the new accounting pronouncement, certain reclassifications have been made to prior year amounts to conform with the current presentation of the current financial statements. The reclassifications have no effect on the classes of net assets or the change in net assets for the prior year.

See independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

2. NOTE RECEIVABLE

The Organization has a note receivable to Cooperative Fund of New England for the Organization investing in furthering the Cooperative Fund's charitable and educational activities in support of non-profit cooperative organizations. The note bears interest on the principal sum of \$100,000 at the rate of 1.5% yearly and will be repaid upon notification of the investor.

Note receivable consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Long-term note receivable	\$ 28,696	\$ 67,822

Interest income from notes receivable was \$874 and \$1,307 for the years ended December 31, 2020 and 2019, respectively. The Cooperative repaid \$40,000 and \$20,000 of the note receivable in 2020 and 2019 respectively.

3. GRANTS RECIEVABLE

Grants receivable are recognized at fair market value as revenues in the period in which there is sufficient evidence that an unconditional promise was received. Conditional promises are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of estimated cash flows beyond one year. At December 30, 2020 and 2019, the allowance for uncollectible amounts was \$0. Unconditional promises to give consisted of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Receivable in less than one year	\$ 20,000	\$ 5,000
Receivable in one to five years	20,000	-
Receivable in more than five years	<u>-</u>	<u>-</u>
Unconditional promises to give	<u>\$ 40,000</u>	<u>\$ 5,000</u>

4. PROPERTY AND EQUIPMENT

The cost and accumulated depreciation of property and equipment at December 31:

	<u>2020</u>	<u>2019</u>
Equipment	\$ 1,837	\$ 3,473
Less: accumulated depreciation	<u>1,837</u>	<u>3,473</u>
	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$0 and \$124 for the years ended December 31, 2020 and 2019, respectively.

5. FUNDRAISING EXPENSE

Total fundraising expense was \$10,214 and \$8,456 for the years ended December 31, 2020 and 2019, respectively.

See independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are those whose use by the Organization has been limited by donors to a specific time period or purpose, or must be maintained by the Organization in perpetuity and income used for operating purposes. Net assets with donor restrictions consisted of the following as of December 31:

	2020	2019
Subject to passage of time:		
Marshall Family Foundation	\$ -	\$ 5,000
	\$ -	\$ 5,000

The Organization received Marshall Family Foundation's pledged annual grants of \$5,000 annually for *Land for New England's Beginning Farmers, Phase Three* project's three years starting September 2018 through August 2021. All funds have been expended as of December 31, 2020.

7. CONCENTRATION OF GRANT REVENUE

A significant portion of the Organization's revenues consists of USDA grants. Thus, its funding is vulnerable to changes in legislative priorities of federal, state, and local governments. USDA grants comprised 39% and 44% of total revenue for years ended December 31, 2020 and 2019.

8. EMPLOYEE BENEFIT PLAN

The Organization offers a SIMPLE IRA plan as of May 2019. Employees who earn a minimum of \$5,000 per calendar year are eligible to establish and make pre-tax contributions to their individual accounts. The Organization makes matching contributions of up to 3% of an employee's gross wages. The Organization's contributions to the plan were \$6,816 and \$5,183 for years ended December 31, 2020 and 2019, respectively.

9. LIQUIDITY AND AVAILABILITY OF FINANCIAL STATEMENTS

The Organization's primary sources of support are grants, contributions and program fees. The Organization monitors liquidity so that it is able to meet its operating needs and commitments.

The following reflects the Organization's financial assets as of the Statement of Financial Position date, reduced by amounts not available for general use within one year of the Statement of Financial Position date because of contractual or donor-imposed restrictions or internal designations, if any.

	2020	2019
Cash and cash equivalents	\$ 96,667	\$ 59,927
Accounts receivable, net collected in less than one year	10,615	22,640
Grants receivable, net collected in less than one year	20,000	5,000
Total financial assets, excluding non-current receivables	127,282	87,567
Less amounts with donor restrictions or designations	-	5,000
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$ 127,282	\$ 82,567

See independent accountant's review report.

LAND FOR GOOD, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through August 2, 2021, which is the date the financial statements were available to be issued. As of August 2, 2021, the organization has been recommended to receive a \$750,000 three year USDA grant award that has a grant period of September 15, 2021 to September 14, 2024. No other significant events have occurred since December 31, 2020. As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which are likely to have a negative impact on results from operations. The potential impact is unknown at this time.

See independent accountant's review report.