


**OUR BIG KITCHEN LOS ANGELES**

**(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS AND**
**INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2025**

# OUR BIG KITCHEN LOS ANGELES

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# MIRACLE MILE CPA,
# an Accountancy Corporation

*Certified Public Accountants and Advisors*


## INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Our Big Kitchen Los Angeles
Los Angeles, CA

### Opinion

We have audited the accompanying financial statements of Our Big Kitchen Los Angeles ("OBKLA"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2025, 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 financial statements referred to above present fairly, in all material respects, the financial position of OBKLA as of December 31, 2025, 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. 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 OBKLA 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, and for 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.

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 OBKLA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's 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 generally accepted 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 generally accepted 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, but not for the purpose of expressing an opinion on the effectiveness of OBKLA's internal control. Accordingly, no such opinion is expressed.
- 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 OBKLA'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.

*Miracle Mile CPA, An Accountancy Corporation*

Los Angeles, California
September 17, 2026

# OUR BIG KITCHEN LOS ANGELES
# STATEMENT OF FINANCIAL POSITION
# December 31, 2025

| | | |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash | $ | 891,825 |
| Accounts receivable | | 75,700 |
| **Total Current Assets** | | 967,525 |
| **Long-Term Assets** | | |
| Property and equipment, net | | 409,251 |
| **Other Assets** | | |
| Operating lease right-of-use asset | | 1,202,864 |
| Other assets | | 40,540 |
| **Total Other Assets** | | 1,243,404 |
| **TOTAL ASSETS** | $ | 2,620,180 |
| **LIABILITIES** | | |
| **Current Liabilities** | | |
| Current portion of operating lease liability | $ | 181,471 |
| Other current liabilities | | 39,189 |
| **Total Current Liabilities** | | 220,660 |
| **Long-Term Liabilities** | | |
| Long-term operating lease liability | | 1,092,252 |
| **TOTAL LIABILITIES** | | 1,312,912 |
| **NET ASSETS** | | |
| Without donor restrictions | | 1,307,268 |
| **TOTAL NET ASSETS** | | 1,307,268 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ | 2,620,180 |

# OUR BIG KITCHEN LOS ANGELES
# STATEMENT OF ACTIVITIES
# For the Year Ended December 31, 2025

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **REVENUES** | | | |
| Contributions and grants | $ 2,117,912 | $ - | $ 2,117,912 |
| Program service income | 935,302 | - | 935,302 |
| Other income | 19,912 | - | 19,912 |
| **TOTAL REVENUES** | 3,073,126 | - | 3,073,126 |
| **EXPENSES** | | | |
| Program services | 1,885,257 | - | 1,885,257 |
| Management and general | 261,696 | - | 261,696 |
| Fundraising | 39,233 | - | 39,233 |
| **TOTAL EXPENSES** | 2,186,186 | - | 2,186,186 |
| **CHANGE IN NET ASSETS** | 886,940 | - | 886,940 |
| **NET ASSETS AT BEGINNING OF YEAR** | 420,328 | - | 420,328 |
| **NET ASSETS AT END OF YEAR** | $ 1,307,268 | $ - | $ 1,307,268 |

# OUR BIG KITCHEN LOS ANGELES
# STATEMENT OF FUNCTIONAL EXPENSES
## For the Year Ended December 31, 2025

| | Program Services | Supporting Services: Management and General | Supporting Services: Fundraising | |
|---|---|---|---|---|
| Program expenses | $ 515,789 | $ - | $ - | $ 515,789 |
| Salaries | 209,515 | 69,838 | - | 279,353 |
| Outside services | 150,008 | 50,003 | - | 200,011 |
| Employee benefits | 22,332 | 7,444 | - | 29,776 |
| Advertising | 93,507 | 38,480 | - | 131,987 |
| Insurance expense | 18,323 | 6,108 | - | 24,431 |
| Professional fees | 10,473 | 5,635 | 33,836 | 49,944 |
| Packaging | 80,005 | - | - | 80,005 |
| Ingredients | 434,216 | - | - | 434,216 |
| Rent | 246,276 | 16,132 | - | 262,408 |
| Auto expense | 4,931 | - | - | 4,931 |
| General and admin expenses | 75,035 | 68,056 | 5,397 | 148,488 |
| **Total expenses before depreciation** | 1,860,410 | 261,696 | 39,233 | 2,161,339 |
| Depreciation | 24,847 | - | - | 24,847 |
| **TOTAL EXPENSES** | $ 1,885,257 | $ 261,696 | $ 39,233 | $ 2,186,186 |

# OUR BIG KITCHEN LOS ANGELES
## STATEMENT OF CASH FLOWS
## For the Year Ended December 31, 2025

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ | 886,940 |
| **Adjustments to reconcile change in net assets to net cash provided by operating activities:** | | |
| Amortization of operating lease right-of-use asset | | 183,183 |
| Depreciation | | 24,847 |
| **Changes in operating assets and liabilities:** | | |
| Accounts receivable | | (58,500) |
| Operating lease liability | | (172,551) |
| Other liabilities | | 14,981 |
| **NET CASH PROVIDED BY OPERATING ACTIVITIES** | | 878,900 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchases of property and equipment | | (187,407) |
| **NET CASH USED IN INVESTING ACTIVITIES** | | (187,407) |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | | 691,493 |
| **CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR** | | 200,332 |
| **CASH AND CASH EQUIVALENTS, END OF YEAR** | $ | 891,825 |

# OUR BIG KITCHEN LOS ANGELES

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2025**

## Note 1 – Organization and Nature of Activities

Our Big Kitchen Los Angeles (the “Organization”) is a California nonprofit public benefit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization was incorporated in the State of California on July 15, 2019, and is located in Los Angeles, California.

The Organization is a community-based kitchen whose mission is to address food insecurity throughout the greater Los Angeles area while providing meaningful volunteer opportunities for individuals, families, schools, corporations, and other community groups. Through chef-led and volunteer-supported programs, participants prepare and package nutritious meals and other food items that are distributed, at no charge, through the Organization’s network of nonprofit and social service partners to individuals and families in need. The Organization seeks to provide volunteers with a meaningful and engaging experience that promotes community involvement, compassion, and continued service to others. This dual focus enables the Organization to both feed Angelenos experiencing food insecurity and provide volunteers with opportunities to make a meaningful impact in their community.

The Organization’s programs are supported primarily by contributions, grants, corporate sponsorships and partnerships, program service fees, fundraising activities, and other community support.

## Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of Presentation

U.S. GAAP requires that the Organization report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets and contributions are classified based on the existence or absence of donor-imposed restrictions and when the cash is received by the Organization.

*Without Donor Restrictions*

These net assets are available for use in general operations and are not subject to donor restrictions or those net assets with donor restrictions that have been satisfied.

*With Donor Restrictions*

These net assets are subject to donor-imposed restrictions. These include net assets that are subject to purpose or time restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose has been fulfilled, or both. The Organization did not have the restricted class of net assets as of December 31, 2025.

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Cash and Cash Equivalents

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term, highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held for the purpose of meeting short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed federally insured limits. The Federal Deposit Insurance Corporation ("FDIC") provides insurance coverage of up to $250,000 per depositor, per insured financial institution. The Organization had one bank account in excess of federally insured limits. The excess aggregated $597,827 as of December 31, 2025. The Organization held no cash equivalents as of December 31, 2025.

Operating Leases

The Organization accounts for operating leases in accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 842, “Leases.” Accordingly, rent expense under the Organization’s operating leases is recognized on a straight-line basis over the term of each lease, inclusive of predetermined minimum rent escalations or modifications and including any lease renewal options.

Accounts Receivable

Accounts receivable consist of amounts due under exchange transactions and unconditional promises to give. Amounts due under exchange transactions are stated at the amount management expects to collect, and unconditional promises to give are recorded at the amount promised. Amounts due under exchange transactions are presented net of an allowance for credit losses, which management estimates based on historical collection experience, the age of outstanding balances, the financial condition of individual payors, and current and expected economic conditions. Unconditional promises to give are not within the scope of the credit loss guidance in FASB ASC Topic 326, Financial Instruments—Credit Losses, and are evaluated for collectibility based on management’s assessment of the donor’s ability and intent to fulfill the promise. As of December 31, 2025, management determined that no allowance for credit losses was required for amounts due under exchange transactions and that all unconditional promises to give were collectible.

Property and Equipment

Property and equipment are recorded at cost. The cost of major additions and improvements is capitalized, while the cost of minor replacements, maintenance, and repairs that do not improve or extend the useful lives of the related assets is expensed as incurred. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. The estimated useful lives for significant property and equipment categories are as follows: kitchen equipment 5-10 years, commercial vehicles 5 years, and computer and office equipment 3-5 years. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the remaining lease term or the estimated useful lives of the leasehold improvements.

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Contributions and Grants

The Organization recognizes contributions based on the accrual basis of accounting. Contributions are recognized as revenue when an unconditional promise to give is made or when assets are received. Contributions are recorded as either support with or without donor restrictions, depending on the existence or nature of any donor restrictions. In accordance with FASB ASC 958-605, Not-for-Profit Entities—Revenue Recognition, support with donor restrictions remains classified as such until the donor-imposed restrictions are met. As of December 31, 2025, the Organization did not have any support with donor restrictions.

Contributed Services

A substantial number of volunteers contribute time to the Organization's meal preparation sessions and other program activities. Contributed services are recognized as contributions in accordance with FASB ASC 958-605, Not-for-Profit Entities—Revenue Recognition, only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people possessing those skills, and would otherwise be purchased by the Organization. No contributed services met these criteria for the year ended December 31, 2025, and accordingly no amounts for contributed services have been recognized in the accompanying financial statements.

Although not recognized in the financial statements, volunteers contributed 30,090 hours during the year ended December 31, 2025. Valued at an hourly rate of $18, based on the applicable local minimum wage, the estimated value of this contributed time was $541,620.

Program Service Revenue

The Organization earns program service revenue from mission-related activities, including school and corporate programs in which participants take part in chef-led culinary sessions and assist in preparing meals for distribution to individuals and families experiencing food insecurity. Program service arrangements that provide participants with commensurate value are accounted for as exchange transactions in accordance with FASB ASC 606, Revenue from Contracts with Customers, under which revenue is recognized as the Organization satisfies its performance obligations.

Program service revenue is generally recognized at a point in time when the scheduled program or session is conducted and the Organization has satisfied its performance obligation. Program fees are generally fixed based on the applicable program or package selected by the customer. Amounts received in advance of the related program or session are recorded as deferred revenue and recognized as revenue when the program or session is conducted.

Functional Allocation of Expenses

The costs of providing various programs and supporting services are presented on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or supporting service are charged directly to that function. Certain expenses are allocated among programs and supporting services based on management’s estimates of time and effort, occupancy, and the purpose of the underlying activity.

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Income Taxes

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) and is classified as a publicly supported public charity under Section 170(b)(1)(A)(vi), not as a private foundation. The Organization is also exempt from California franchise and income tax under Section 23701d of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

Management has evaluated the Organization's tax positions and believes that there are no uncertain tax positions requiring recognition or disclosure in the financial statements. Tax years 2022 through 2025 remain subject to examination by federal and state taxing authorities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and related disclosures. Actual results could differ from those estimates.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by FASB or other standard setting bodies that are adopted by the Organization as of the specified effective date. The Organization has reviewed the FASB issued Accounting Standards Update ("ASU") accounting pronouncements and interpretations thereof that are effective during the periods reported and in the future periods. Unless otherwise discussed, the Organization believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

**Note 3 – Concentrations of Credit Risk and Revenue**

The Organization maintains its cash balances in financial institutions located in the United States. At times, cash deposits may exceed federally insured limits. Management monitors the financial condition of such financial institutions and does not anticipate any losses from these counterparties.

The Organization is substantially dependent on charitable contributions and grant funding to support its operations and programs. For the year ended December 31, 2025, approximately 69% of total revenue was derived from contributions and grants. One donor accounted for approximately 14% of the Organization's total grants and contributions revenue for the year ended December 31, 2025.

**Note 4 – Property and Equipment**

Property and equipment consisted of the following at December 31, 2025:

| | | |
|---|---|---|
| Leasehold improvements | $ | 266,937 |
| Kitchen equipment | | 185,013 |
| Commercial vehicles | | 72,916 |
| Computer and office equipment | | 16,583 |
| Total property and equipment | | 541,449 |
| Less: accumulated depreciation | | (132,198) |
| Property and equipment, net | $ | 409,251 |

Depreciation expense for the year ended December 31, 2025 was $24,847.

**Note 5 – Liquidity and Availability of Financial Assets**

The Organization regularly monitors the liquidity required to meet its operating needs and other contractual and program commitments. As part of its liquidity management, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due, and maintains cash and financial assets sufficient to meet its normal operating requirements.

The following reflects the Organization's financial assets available to meet general expenditures within one year of the balance sheet date as of December 31, 2025:

| | | |
|---|---|---|
| Financial assets at December 31, 2025: | | |
| Cash and cash equivalents | $ | 891,825 |
| Accounts receivable | | 75,700 |
| Financial assets available to meet general expenditures within one year | $ | 967,525 |

The Organization had no net assets with donor restrictions and no amounts designated by the board for specific purposes as of December 31, 2025. Accordingly, all of the Organization's financial assets are available to meet general expenditures within one year. In the event of an unanticipated liquidity need, management would evaluate the timing of program and other commitments to ensure that obligations continue to be met as they become due.

**Note 6 – Program Service Revenue**

Program service revenue consists of fees earned from the following mission-related programs, all of which are recognized at a point in time on the date the related session is delivered:

*Corporate group income* — fees charged to businesses for facilitated team-building culinary sessions.

*Session sponsorship income* — fees paid to sponsor a meal preparation session and related program activities, in which the sponsor's group participates in preparing meals for distribution.

*School group income* — fees charged to schools for student educational sessions.

**Note 6 – Program Service Revenue (Continued)**

The following table disaggregates program service revenue for the year ended December 31, 2025:

| | | |
|---|---|---|
| Corporate group income | $ | 573,837 |
| Session sponsorship income | | 309,385 |
| School group income | | 52,080 |
| **Total program service revenue** | $ | 935,302 |

As of December 31, 2025, accounts receivable related to program service revenue were $75,700. The Organization had no deferred revenue related to program services as of December 31, 2025.

**Note 7 – Commitments and Contingencies**

Leases

The Organization leases its facility under a lease agreement that commenced on March 1, 2022 and expires on February 28, 2027. The lease provides five one-year renewal options. Management has determined that the Organization is reasonably certain to exercise the renewal options; accordingly, the renewal periods are included in the lease term through February 29, 2032.

The lease terms allow for annual rental increases of 3% over the base monthly rate of the immediately preceding year. In addition to rent, the Organization is also responsible for property taxes, insurance, and maintenance on the property. Because these amounts are not fixed at lease commencement, they are accounted for as variable lease payments, which are excluded from the measurement of the operating lease right-of-use asset and operating lease liability and are recognized as expense in the period in which the obligation is incurred.

A right-of-use asset and operating lease liability has been recorded with the adoption of Topic 842. As this lease does not provide an implicit interest rate, the Organization used a risk-free interest rate of 1.72% based on the information available at the date of adoption of Topic 842 to determine the lease liability. Operating lease expense is recognized on a straight-line basis over the lease term. As of December 31, 2025, the operating lease right-of-use asset was $1,202,864 and the operating lease liability was $1,273,723, of which $181,471 was classified as current and $1,092,252 as long-term.

Lease expense for the year ended December 31, 2025 was $262,408.

The following is a schedule of future minimum operating lease payments under this agreement as of December 31, 2025:

| *Year ending December 31,* | | *Amount* |
|---|---|---|
| 2026 | $ | 201,957 |
| 2027 | | 208,016 |
| 2028 | | 214,257 |
| 2029 | | 220,684 |
| 2030 | | 227,305 |
| Thereafter | | 273,334 |
| Total | | 1,345,553 |
| Less: imputed interest | | (71,830) |
| Present value of operating lease liabilities | $ | 1,273,723 |

**Note 8 – Subsequent Events**

Management has evaluated subsequent events through September 17, 2026, the date the financial statements were available to be issued and has determined that there were no subsequent events requiring recognition or disclosure in the accompanying financial statements.