

BREAD OF LIFE, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2013

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Independent Auditor's Report

Board of Directors
Bread of Life, Inc.
Malden, Massachusetts

We have audited the accompanying financial statements of the Bread of Life, Inc. (a Massachusetts corporation), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, cash flows and functional expenses, and the related notes to the financial statements.

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 presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above presented fairly, in all material respects, the financial position of Bread of Life, Inc. as of December 31, 2013, and the related statements of activities cash flows, and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The 2012 financial statements were reviewed by us, and our report thereon, dated August 19, 2013, stated we were not aware of any material modifications that should be made to those financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements.



Certified Public Accountants
Boston, MA

August 1, 2014

BREAD OF LIFE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

	Audited 2013	Reviewed 2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 126,918	\$ 103,024
Accounts receivable - government grants	45,999	27,040
Pledges receivable-current, net	39,800	-
Building deposit	-	5,000
Prepaid expenses	8,331	7,928
Total current assets	221,048	142,992
Fixed Assets		
Building Improvements	-	3,058
Equipment	4,856	4,856
Vehicles	66,908	42,871
Total fixed assets	71,764	50,785
Less: accumulated depreciation	(50,404)	(47,913)
Net fixed assets	21,360	2,872
Other Assets		
Pledges receivable, noncurrent, net	54,482	-
Investment in LLC	11,500	-
Total other assets	65,982	-
Total assets	<u>\$ 308,390</u>	<u>\$ 145,864</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Payables and accrued expenses	\$ 9,460	\$ 4,872
Net Assets		
Net assets - unrestricted	124,523	61,035
Net assets - restricted	174,407	79,957
Total net assets	298,930	140,992
Total liabilities and net assets	<u>\$ 308,390</u>	<u>\$ 145,864</u>

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	Audited 2013			Reviewed 2012
	Unrestricted	Temporarily Restricted	Total	
Support and Revenue				
Public Support				
Government grants	\$ 61,001	\$ -	\$ 61,001	\$ 50,898
Foundation and private grants	98,738	166,366	265,104	94,651
Fundraising events, gifts, & contributions	252,443	-	252,443	216,800
Total public support	<u>412,182</u>	<u>166,366</u>	<u>578,548</u>	<u>362,349</u>
Other Revenue				
Interest Income	63	-	63	161
Other Revenue	956	-	956	-
Donated space, goods & services	262,619	-	262,619	256,003
Net assets released from restrictions	71,916	(71,916)	-	-
Total other revenue	<u>335,554</u>	<u>(71,916)</u>	<u>263,638</u>	<u>256,164</u>
Total support and revenue	<u>747,736</u>	<u>94,450</u>	<u>842,186</u>	<u>618,513</u>
Functional expenses				
Program services				
Meals program - purchased	131,711	-	131,711	129,420
Meals program - donated	108,033	-	108,033	105,760
Motel expenses-purchased	10,252	-	10,252	15,378
Food pantry - purchased	181,695	-	181,695	203,847
Food pantry - donated	154,359	-	154,359	148,518
Total program services	<u>586,050</u>	<u>-</u>	<u>586,050</u>	<u>602,923</u>
Supporting services				
Administrative - purchased	27,850	-	27,850	24,994
Administrative - donated	225	-	225	1,725
Fundraising - purchased	70,123	-	70,123	36,011
Total supporting services	<u>98,198</u>	<u>-</u>	<u>98,198</u>	<u>62,730</u>
Total functional expenses	<u>684,248</u>	<u>-</u>	<u>684,248</u>	<u>665,653</u>
Change in net assets	63,488	94,450	157,938	(47,140)
Net assets, beginning of year	61,035	79,957	140,992	188,132
Net assets, end of year	<u>\$ 124,523</u>	<u>\$ 174,407</u>	<u>\$ 298,930</u>	<u>\$ 140,992</u>

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Reviewed 2012		
	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Public Support			
Government grants	\$ 50,898	\$ -	\$ 50,898
Foundation and private grants	78,926	15,725	94,651
Fundraising events, gifts, & contributions	<u>216,800</u>	<u>-</u>	<u>216,800</u>
Total public support	<u>346,624</u>	<u>15,725</u>	<u>362,349</u>
Other Revenue			
Interest Income	161	-	161
Donated space, goods & services	<u>256,003</u>	<u>-</u>	<u>256,003</u>
Total other revenue	<u>256,164</u>	<u>-</u>	<u>256,164</u>
Total support and revenue	<u>\$ 602,788</u>	<u>\$ 15,725</u>	<u>\$ 618,513</u>
Functional expenses			
Program services			
Meals program - purchased	\$ 129,420	\$ -	\$ 129,420
Meals program - donated	105,760	-	105,760
ARRA expenses - purchased	15,378	-	15,378
Food pantry - purchased	203,847	-	203,847
Food pantry - donated	<u>148,518</u>	<u>-</u>	<u>148,518</u>
Total program services	<u>602,923</u>	<u>-</u>	<u>602,923</u>
Supporting services			
Administrative - purchased	24,994	-	24,994
Administrative - donated	1,725	-	1,725
Fundraising - purchased	<u>36,011</u>	<u>-</u>	<u>36,011</u>
Total supporting services	<u>62,730</u>	<u>-</u>	<u>62,730</u>
Total functional expenses	<u>\$ 665,653</u>	<u>\$ -</u>	<u>\$ 665,653</u>
Change in net assets	\$ (62,865)	\$ 15,725	\$ (47,140)
Net assets released from restrictions	-	-	-
Net assets, beginning of year	<u>123,900</u>	<u>64,232</u>	<u>188,132</u>
Net assets, end of year	<u>\$ 61,035</u>	<u>\$ 79,957</u>	<u>\$ 140,992</u>

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	Audited 2013	Reviewed 2012
Cash flows from operating activities:		
Change in net assets	\$ 157,938	\$ (47,140)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	2,644	273
(Increase) decrease in accounts receivable	(18,959)	(23,245)
(Increase) in pledges receivable	(94,282)	-
Decrease (Increase) in prepaid expenses	4,597	(4,102)
(Decrease) increase in accts payable & accrued expenses	4,588	(891)
Net cash provided by operating activities	<u>56,526</u>	<u>(75,105)</u>
Cash flows from investing activities:		
Purchase in LLC investment	(11,500)	
(Increase) decrease in fixed assets	<u>(21,132)</u>	-
Net cash provided by investing activities	<u>(32,632)</u>	-
Net increase in cash	23,894	(75,105)
Cash, beginning of year	<u>103,024</u>	<u>178,129</u>
Cash, end of year	<u>\$ 126,918</u>	<u>\$ 103,024</u>

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Audited 2013			Reviewed	
	Program Expense	Administrative Expenses	Fundraising Expenses	Total	2012 Total
Salaries and wages	\$ 109,456	\$ 7,025	\$ 8,586	\$ 125,067	\$ 130,002
Payroll taxes	9,828	631	771	11,230	12,782
Employee benefits	31,399	2,015	2,463	35,877	39,900
Accounting services	3,500	225	275	4,000	5,500
Client food and personal items	61,880	-	-	61,880	68,001
Depreciation	2,644	-	-	2,644	273
Marketing	2,787	179	219	3,185	5,685
Fees and licenses	1,402	935	-	2,337	2,745
Insurance	10,877	698	853	12,428	1,484
Office and program supplies	2,860	1,686	1,333	5,879	5,730
Other professional fees	30,189	4,306	37,125	71,620	43,812
Postage and delivery	-	1,381	1,381	2,762	2,104
Printing and copying	-	780	1,169	1,949	2,230
Repairs and maintenance	-	-	-	-	5,360
Space rental	28,792	3,600	3,600	35,992	35,100
Telephone	5,059	1,446	723	7,228	6,713
Utilities	10,302	2,943	1,470	14,715	11,053
Van expenses	12,325	-	-	12,325	15,489
Miscellaneous	356	-	10,155	10,511	15,686
Subtotal	323,656	27,850	70,123	421,629	409,650
Donated goods and services					
Volunteer services	6,000	-	-	6,000	3,000
Client food and personal items	219,510	-	-	219,510	215,294
Space/facility usage and parking	36,884	225	-	37,109	37,709
Subtotal	262,394	225	-	262,619	256,003
Total functional expenses	\$ 586,050	\$ 28,075	\$ 70,123	\$ 684,248	\$ 665,653

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Reviewed			Total
	Program Expense	Administrative Expenses	Fundraising Expenses	
Salaries and wages	\$ 114,392	\$ 7,024	\$ 8,586	\$ 130,002
Payroll taxes	11,247	691	844	12,782
Employee benefits	35,109	2,156	2,635	39,900
Accounting services	4,840	297	363	5,500
ARRA Expenses	-	-	-	-
Client food and personal items	68,001	-	-	68,001
Depreciation	273	-	-	273
Marketing	5,002	307	376	5,685
Fees and licenses	1,647	1,098	-	2,745
Liability insurance	637	788	59	1,484
Office and program supplies	2,607	1,580	1,543	5,730
Other professional fees	38,550	2,369	2,893	43,812
Postage and delivery	-	1,052	1,052	2,104
Printing and copying	-	892	1,338	2,230
Repairs and maintenance	5,360	-	-	5,360
Space rental	28,733	3,187	3,180	35,100
Telephone	4,699	1,343	671	6,713
Utilities	7,738	2,210	1,105	11,053
Van expenses	15,489	-	-	15,489
Miscellaneous	4,320	-	11,366	15,686
Subtotal	348,645	24,994	36,011	409,650
Donated goods and services				
Volunteer services	3,000	-	-	3,000
Client food and personal items	215,294	-	-	215,294
Space/facility usage and parking	35,984	1,725	-	37,709
Subtotal	254,278	1,725	-	256,003
Total functional expenses	<u>\$ 602,923</u>	<u>\$ 26,719</u>	<u>\$ 36,011</u>	<u>\$ 665,653</u>

See accompanying notes to financial statements.

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 1 - Operations and Not-for-Profit Status

Bread of Life, Inc. (the "Organization") was incorporated in 1992 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt, not-for-profit corporation under Section 501c(3) of the Internal Revenue Code. Bread of Life, Inc. has been classified as an organization which is not a private foundation under Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

The Organization is a local volunteer organization composed of 37 partner organization churches, synagogues, high schools, businesses, and public service groups from the communities of Everett, Malden, Medford, Melrose, Reading, Stoneham and Wakefield. During 2013 and 2012, over 1,030,000 and 927,800 meals respectively, were distributed to those in need through the Organization's food programs. The Organization collaborates with local agencies to help low-income people obtain housing, shelter, furniture, and counseling. Medical personnel from Sharewood Project offer free health care clinic and referrals.

Note 2 - Summary of Significant Accounting Policies

- Basis of Accounting

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America.

- Basis of Presentation

The Organization follows FASB Accounting Standards Codification ASC No. 958, "Financial Statements of Not-for-Profit Organizations" (Formerly SFAS No. 117). Under ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor imposed restrictions. At year end there were no permanently restricted net assets.

These financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

- Cash and Cash Equivalents

Statements of cash flows are designed to show the change in cash and cash equivalents during the year. Cash equivalents are defined as short-term (maturity of three months or less), highly liquid investments that are both readily convertible to cash and are so near maturity that fluctuations in interest rates lead to insignificant risk of changes in investment value. The Organization did not hold any cash equivalents as of December 31, 2013 and 2012.

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 2 - Summary of Significant Accounting Policies *(continued)*

- Accounts Receivable

Accounts receivable - government grants represent amounts which are due from cost reimbursement grants administered by local government agencies. Management considers these amounts to be fully collectible. Therefore, there is no provision for uncollectible accounts receivable.

- Contributions

The Organization follows FASB Accounting Standards Codification ASC No. 958, Financial Statements of Non-for-Profit Organizations" (Formerly SFAS No. 116). ASC No. 958 requires that contributions be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with donors' imposed restrictions. Contributions may include gifts of cash, collection items, or promises to give.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the condition on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved.

Amortization of discounts are recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, and nature of fund raising activity. Intentions to give, which are not legally enforceable, are not recorded until actually received.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction, until the restriction expires, at which time temporarily restricted net assets are reclassified to unrestricted net assets. The Organization has elected to report restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

- Property and Equipment

The Organization records property and equipment at cost at the date of acquisition. The Financial Accounting Standards Board (FASB) of the AICPA requires recognition of depreciation for long-lived assets for financial statements of not-for-profit organizations. Depreciation expense was 2,644 and \$273 for the years ended December 31, 2013 and 2012 respectively. Depreciation is based on the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Equipment	5
Vehicles	5

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 2 - Summary of Significant Accounting Policies *(continued)*

- Compensated Absences

Employees of the Organization are entitled to paid vacations, paid sick days off, depending on job classification, length of service, and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying statements. The Organization's policy is to recognize the costs of compensated absences when actually paid to employees.

- Income Tax

The Organization is a not-for-profit corporation as described in Section 501c(3) of the Internal Revenue code and is generally exempt from Federal income taxes under Section 501(a). Management believes the tax exempt status will be maintained in the future.

- Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

- Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

- Functional Expenses

In accordance with generally accepted accounting principles, the Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification.

Note 3 - Leases

The Organization occupies approximately 3,400 square feet of space for administrative and food pantry purposes in Malden, Massachusetts. For the years ended December 31, 2013 and 2012, rent paid was \$35,992 and \$35,100 respectively.

From January 1 through August 14, 2013 the Organization leased the space from Philam Realty Corp. On August 14, 2013, after the purchase of the property by 54 Eastern Ave Malden LLC, Bread of Life began leasing the space from the LLC.

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 4 - Pledges Receivable

Pledges receivable represent unconditional promises to give over a period of time. Pledges expected to be collected after December 31, 2013 are recorded at a net present value based on U.S. Treasury securities yields with maturity dates similar to the collection period. The following is a schedule of pledges receivable at December 31, 2013.

Year of Collection	Amount
2014	\$ 39,800
2015	32,800
2016	18,300
2017	3,800
2018	2,800
Years thereafter	800
Gross pledges	98,300
Less:	
Allowance for uncollectible	(4,018)
Net pledges	\$ 94,282

Note 5 - Restrictions on Net Assets

Temporarily restricted net assets are restricted to:

Building Fund (Capital Campaign)	\$ 174,407
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Note 6 - Net Assets Released from Restrictions

Temporarily restricted net assets released from restrictions were:

Building Fund (Capital Campaign)	\$ 71,916
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BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 7 - In-Kind Donations

ASC No. 958 requires the fair value of donated services to be recognized in the financial statements which either create or enhance a non-financial asset or require specialized skills which would need to be purchased if not donated. The Organization had in-kind contributions of the following:

	<u>2013</u>	<u>2012</u>
Rent	23,725	24,325
Parking	10,080	10,080
Pantry/Meals	189,370	182,848
Restaurant meals	14,400	18,816
Program supplies	5,940	1,130
Holiday Gifts	3,604	3,304
Clothing	15,500	15,500
	<u>\$ 262,619</u>	<u>\$ 256,003</u>

Note 8 - Contract/Grants to Provide Services

The Organization was the recipient of several government grants funded by the U. S. Department of Housing and Urban Development (HUD) in 2013 and 2012.

Note 9 - SIMPLE- IRA Retirement Savings Plan

Beginning in 2003, the Organization began a SIMPLE-IRA retirement plan for eligible employees. The Organization makes a matching contribution to the account of each eligible employee who is employed at the company at year end up to 3% of the employee's salary earned during the year. Expenses related to the plan for 2013 and 2012 were \$3,274 and \$3,330 respectively.

Note 10 - Volunteer Services, not valued

A total of 24,724 and 24,602 volunteer hours for 2013 and 2012 respectively, are not included in these financial statements as they do not meet the criteria for recognition.

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 11 - Investment in Real Estate LLC

On August 14, 2013 the Bread of Life, Inc. and the Tri-City Community Action Program, Inc. created a limited liability company to purchase a building at 54 Eastern Avenue, Malden. Bread of Life's offices are located in the building. The purchase price was \$750,000. In order to purchase the property the limited liability company secured a \$675,000 mortgage and the seller also took back a \$75,000 mortgage. The total cost of the purchase to Bread of Life was \$11,500. As a 46.7% shareholder in the LLC, Bread of Life assumes that percentage of the mortgage liability.

The commercial real estate promissory note calls for the principal and unpaid interest to be paid upon the earlier to occur: 1) twelve months from the execution date, or 2) the start of construction with regard to the property. The lender has sole discretion in determining the start of construction date. The interest rate on the note is equal to the prime rate, but no less than 3.25% per annum for the life of the loan.

The seller financed commercial real estate note is a five year note, due August 14, 2018. The note holds a fixed 5% interest rate.

The managers of the LLC are Tri-City Community Action Program, Inc. and the Bread of Life, Inc.

The 54 Eastern Avenue Malden LLC is a separate entity which will rent office and residential units. For the year 2013 the Bread of Life, Inc. paid \$12,053 in rent to 54 Eastern Avenue Malden LLC and \$20,071 in rent to Philam Realty Corp. (the property seller).

Bread of Life's interest in the LLC is recorded as an investment in real estate on the balance sheet. For 2013 no distributions were received from 54 Eastern Avenue Malden LLC.

Note 12 - Fair Value Measurements

The Organization adopted Accounting Standards Codification No. 820, Fair Value Measurements (Formerly SFAS No. 157) as of July 1, 2008, which among other matters, requires enhanced disclosures about "instruments that are measured and reported at fair value.

ASC No. 820 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price used in measuring instruments at fair value. Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available quoted prices or for which fair value can be measured for actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. The implementation of ASC No. 820 had no impact on reported amounts.

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 12 - Fair Value Measurements (continued)

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. The type of instruments included in Level 1 include listed equity and debt securities publicly traded on a Stock Exchange.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Instruments which are generally included in this category include less liquid and restricted equity securities and over-the-counter derivatives including corporate bonds and loans, public company equity securities with legal restrictions and interest rate swap contracts.

Level 3 - Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. Instruments that are included in this category generally include investments in privately held portfolio companies, promissory notes to privately held companies, and interests in other investment partnerships.

In some instances, the inputs to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The valuation of the Organization's investments by the above fair value hierarchy consisted of the following at December 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets				
LLC	\$ -	\$ -	\$ 11,500	\$ -

BREAD OF LIFE, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

Note 13 - Related Party Activity

In 2012 the Special Projects Coordinator of the Bread of Life also served as President of the Board of Directors of Tri-City Community Action Program in Malden. Both organizations have been working on the joint project with them to purchase and develop 54 Eastern Avenue in Malden. For 2013 this employee continued on the board of Tri-CAP but did not serve as an officer. She recused herself from Board votes at Tri-CAP about this project.

Note 14 - Taxes

The Organization evaluates tax positions taken, or expected to be taken, in its tax returns to determine whether tax positions are more-likely-than-not of being sustained by the applicable federal or state authority. The Organization has evaluated the tax positions taken in its previously filed returns and those expected to be taken in 2013 returns and believes they are more-likely-than-not of being sustained if examined by federal or state authorities. The Organizations' 2009 through 2012 tax years remain subject to examination by federal and state authorities.

Note 15 - Subsequent Events

There were no subsequent events that require adjustments to or disclosures in the financial statements as of December 30, 2013. Subsequent events were evaluated through August 1, 2014 which is the date the Organization issued the financial statements.