

**Meals on Wheels and More, Inc.
Dba Meals on Wheels Central Texas and
Related Entities**

Combined Financial Report
September 30, 2025

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Independent Auditor's Report

To the Board of Directors of
Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities
Austin, Texas

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Meals on Wheels and More, Inc. dba Meals on Wheels Central Texas, and related entities (the Organizations), which comprise the combined statement of financial position as of September 30, 2025 and 2024, and the related combined statement of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Organizations as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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 Combined Financial Statements section of our report. We are required to be independent of the Organizations 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 Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern for one year after the date that the combined financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 combined 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 the Organizations' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' 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 combined financial statements the collectively comprise the Organizations' financial statements as a whole. The accompanying combining statement of financial position as of September 30, 2025, and the combining statement of activities for the year then ended (the combining statements) are presented for the purpose of additional analysis and are not required parts of the combined financial statements. Additionally, the accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the State of Texas Grant Management Standards (TxGMS), is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the combined 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 June 25, 2026 on our consideration of the Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Organizations' 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 Organizations' internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
June 25, 2026

**Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities**

Combined Statements of Financial Position
September 30, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 825,760	\$ 1,192,075
Receivables		
Grants and contracts, net of allowance	1,612,568	3,842,946
Other	26,267	20,406
Prepaid items and other current assets	286,006	255,937
Total current assets	2,750,601	5,311,364
NON-CURRENT ASSETS		
Investments	13,859,937	14,740,408
Fixed assets, net	4,012,194	4,511,105
Right of use asset, net	90,558	-
Total non-current assets	17,962,689	19,251,513
TOTAL ASSETS	\$ 20,713,290	\$ 24,562,877
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 665,012	\$ 862,996
Accrued payroll liabilities	279,803	290,117
Liability for compensated absences	123,247	135,906
Deferred revenue	172,488	165,231
Current portion of long-term debt	76,989	824,497
Current portion of lease liability	34,649	-
Total current liabilities	1,352,188	2,278,747
NON-CURRENT LIABILITIES		
Long-term debt	2,083,692	2,160,672
Deferred compensation plan	20,000	-
Lease liability, net of current portion	37,797	-
Total non-current liabilities	2,141,489	2,160,672
Total liabilities	3,493,677	4,439,419
NET ASSETS		
Without donor restrictions		
Undesignated	15,731,664	18,293,387
Total without donor restrictions	15,731,664	18,293,387
With donor restrictions		
Time or purpose	1,487,949	1,830,071
Total net assets	17,219,613	20,123,458
TOTAL LIABILITIES AND NET ASSETS	\$ 20,713,290	\$ 24,562,877

The Notes to Financial Statements
are an integral part of these statements.

**Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities**

Combined Statements of Activities
Years Ended September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support and revenue		
Grants and contracts	\$ 11,083,055	\$ 8,868,420
Public contributions	4,417,916	5,285,565
United Way	-	1,450
In-kind donations	114,232	133,662
Other revenue	86,648	66,280
Net assets released from restrictions	<u>1,770,751</u>	<u>4,860,935</u>
Total support and revenue	17,472,602	19,216,312
EXPENSES		
Program services	17,230,104	17,130,237
Management and general	2,891,240	2,813,875
Development fundraising	<u>1,218,566</u>	<u>902,508</u>
Total expenses	<u>21,339,910</u>	<u>20,846,620</u>
Revenues over (under) expenses	(3,867,308)	(1,630,308)
OTHER REVENUE AND EXPENSES		
Investment return, net	<u>1,305,585</u>	<u>2,466,927</u>
Total other revenues and expenses	<u>1,305,585</u>	<u>2,466,927</u>
Change in net assets without donor restrictions	(2,561,723)	836,619
NET ASSETS WITH DONOR RESTRICTIONS		
Time or purpose		
Support and revenue		
Grants and contracts	1,428,629	4,707,951
Investment return, net	-	118,640
Net assets released from restrictions	<u>(1,770,751)</u>	<u>(4,860,935)</u>
Increase (decrease) in net assets with donor restrictions - time or purpose	<u>(342,122)</u>	<u>(34,344)</u>
Increase (decrease) in net assets	(2,903,845)	802,275
NET ASSETS, beginning of year	<u>20,123,458</u>	<u>19,321,183</u>
NET ASSETS, end of year	<u><u>\$ 17,219,613</u></u>	<u><u>\$ 20,123,458</u></u>

The Notes to Financial Statements
are an integral part of these statements.

Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities
Combined Statements of Functional Expenses
Year Ended September 30, 2025

	Program Services			
	Meal Programs	Home Repair	Client Assistance and Other	Total
EXPENSES				
Salaries	\$ 3,360,499	\$ 511,539	\$ 574,158	\$ 4,446,196
Payroll taxes and benefits	704,071	123,958	157,258	985,287
Total personnel	4,064,570	635,497	731,416	5,431,483
Computer software	100,067	3,454	5,072	108,593
Conferences/training/travel	44,701	9,290	18,324	72,315
Dues and subscriptions	15,867	2,952	5,000	23,819
Equipment maintenance	169,097	-	-	169,097
Events	-	-	-	-
Grants to other agencies	10,000	-	7,000	17,000
Home repair construction costs	-	3,139,103	37,180	3,176,283
Insurance	144,088	49,625	8,486	202,199
Interest	72,535	-	-	72,535
Miscellaneous	103,537	11,502	288,737	403,776
Occupancy	8,875	-	1,620	10,495
Postage	7,453	37	889	8,379
Printing	28,777	925	470	30,172
Professional fees	908	-	97,961	98,869
Promotional	80,065	-	3,034	83,099
Recipient meal costs	2,573,082	-	-	2,573,082
Service delivery mileage	131,463	-	-	131,463
Supplies	80,926	3,097	207,772	291,795
Telephone	20,163	5,128	13,471	38,762
Utilities	82,938	17,307	47,855	148,100
Volunteer recognition/recruitment	1,099	-	-	1,099
Total expenses before depreciation	7,740,211	3,877,917	1,474,287	13,092,415
Depreciation and amortization	338,533	31,652	61,898	432,083
TOTAL EXPENSES	\$ 8,078,744	\$ 3,909,569	\$ 1,536,185	\$ 13,524,498

The Notes to Financial Statements
are an integral part of these statements.

Support Services			
Management and General	Development Fundraising	Total	MOWCT Totals
\$ 1,153,681	\$ 658,780	\$ 1,812,461	\$ 6,258,657
318,282	114,994	433,276	1,418,563
1,471,963	773,774	2,245,737	7,677,220
114,810	25,600	140,410	249,003
27,863	2,240	30,103	102,418
12,112	500	12,612	36,431
-	-	-	169,097
-	46,050	46,050	46,050
-	-	-	17,000
-	4,464	4,464	3,180,747
46,616	-	46,616	248,815
4,707	-	4,707	77,242
101,957	6,124	108,081	511,857
-	-	-	10,495
15,407	56,155	71,562	79,941
5,757	225,246	231,003	261,175
262,757	20,384	283,141	382,010
-	24,679	24,679	107,778
-	-	-	2,573,082
-	-	-	131,463
28,154	5,899	34,053	325,848
13,815	2,042	15,857	54,619
28,973	7,200	36,173	184,273
33,702	3	33,705	34,804
2,168,593	1,200,360	3,368,953	16,461,368
72,421	17,997	90,418	522,501
<u>\$ 2,241,014</u>	<u>\$ 1,218,357</u>	<u>\$ 3,459,371</u>	<u>\$ 16,983,869</u>

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**Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities**
Combined Statements of Functional Expenses - Continued
Year Ended September 30, 2025

	MOWCTX In-Home Care			In-Home Totals
	Program Services	Management and General	Development Fundraising	
EXPENSES				
Salaries	\$ 3,166,244	\$ 383,698	\$ -	\$ 3,549,942
Payroll taxes and benefits	435,082	194,943	-	630,025
Total personnel	3,601,326	578,641	-	4,179,967
Computer software	20,011	11,317	-	31,328
Conferences/training/travel	27,037	1,609	-	28,646
Dues and subscriptions	133	3,831	209	4,173
Equipment maintenance	4,582	-	-	4,582
Events	-	-	-	-
Grants to other agencies	-	-	-	-
Home repair construction costs	-	-	-	-
Insurance	36,476	12,159	-	48,635
Interest	-	1,040	-	1,040
Miscellaneous	-	5,114	-	5,114
Occupancy	-	-	-	-
Postage	-	2,500	-	2,500
Printing	802	9,409	-	10,211
Professional fees	3,778	3,882	-	7,660
Promotional	-	618	-	618
Recipient meal costs	-	-	-	-
Service delivery mileage	-	-	-	-
Supplies	1,868	10,260	-	12,128
Telephone	6,437	9,846	-	16,283
Utilities	-	-	-	-
Volunteer recognition/recruitment	-	-	-	-
Total expenses before depreciation	3,702,450	650,226	209	4,352,885
Depreciation and amortization	3,156	-	-	3,156
TOTAL EXPENSES	\$ 3,705,606	\$ 650,226	\$ 209	\$ 4,356,041

The Notes to Financial Statements
are an integral part of these statements.

**Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities**

Combined Statement of Functional Expenses
Year Ended September 30, 2024

	Program Services			
	Meal Programs	Home Repair	Client Assistance and Other	Total
EXPENSES				
Salaries	\$ 3,210,591	\$ 530,537	\$ 628,750	\$ 4,369,878
Payroll taxes and benefits	667,251	119,557	148,892	935,700
Total personnel	3,877,842	650,094	777,642	5,305,578
Computer software	42,911	4,393	66,598	113,902
Conferences/training/travel	49,101	13,085	28,789	90,975
Dues and subscriptions	35,142	-	3,131	38,273
Equipment maintenance	95,779	-	31,305	127,084
Events	-	-	-	-
Grants to other agencies	10,000	-	-	10,000
Home repair construction costs	-	3,088,420	37,466	3,125,886
Insurance	9,472	-	-	9,472
Interest	75,143	-	-	75,143
Miscellaneous	91,391	14,232	485,349	590,972
Occupancy	9,905	-	10,314	20,219
Postage	10,710	-	15,740	26,450
Printing	38,809	153	4,610	43,572
Professional fees	83,812	-	95,521	179,333
Promotional	88,155	-	-	88,155
Recipient meal costs	2,514,534	-	-	2,514,534
Service delivery mileage	153,715	-	350	154,065
Supplies	40,636	135	261,407	302,178
Telephone	28,841	8,125	14,237	51,203
Utilities	55,733	13,938	45,760	115,431
Volunteer recognition/recruitment	265	-	1,570	1,835
Total expenses before depreciation	7,311,896	3,792,575	1,879,789	12,984,260
Depreciation	359,323	29,227	47,009	435,559
TOTAL EXPENSES	\$ 7,671,219	\$ 3,821,802	\$ 1,926,798	\$ 13,419,819

The Notes to Financial Statements
are an integral part of these statements.

Support Services

Management and General	Development Fundraising	Total	MOWCT Totals
\$ 1,079,998	\$ 445,822	\$ 1,525,820	\$ 5,895,698
286,536	68,541	355,077	1,290,777
1,366,534	514,363	1,880,897	7,186,475
103,335	20,015	123,350	237,252
10,423	1,808	12,231	103,206
4,758	5,361	10,119	48,392
3,522	-	3,522	130,606
-	7,856	7,856	7,856
-	-	-	10,000
-	-	-	3,125,886
199,779	-	199,779	209,251
17,586	-	17,586	92,729
119,694	6,223	125,917	716,889
19	10	29	20,248
666	3,358	4,024	30,474
7,286	7,617	14,903	58,475
222,442	285,224	507,666	686,999
-	22,843	22,843	110,998
-	-	-	2,514,534
-	-	-	154,065
6,872	1,194	8,066	310,244
7,645	2,484	10,129	61,332
23,334	5,798	29,132	144,563
41,925	1,858	43,783	45,618
2,135,820	886,012	3,021,832	16,006,092
64,770	16,496	81,266	516,825
<u>\$ 2,200,590</u>	<u>\$ 902,508</u>	<u>\$ 3,103,098</u>	<u>\$ 16,522,917</u>

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Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Combined Statement of Functional Expenses – Continued
Year Ended September 30, 2024

	MOWCTX In-Home Care			In-Home Totals
	Program Services	Management and General	Development Fundraising	
EXPENSES				
Salaries	\$ 3,133,660	\$ 383,094	\$ -	\$ 3,516,754
Payroll taxes and benefits	480,189	149,993	-	630,182
Total personnel	3,613,849	533,087	-	4,146,936
Computer software	17,438	11,970	-	29,408
Conferences/training/travel	26,611	1,788	-	28,399
Dues and subscriptions	9,068	2,342	-	11,410
Equipment maintenance	4,230	60	-	4,290
Events	-	-	-	-
Grants to other agencies	-	-	-	-
Home repair construction costs	-	-	-	-
Insurance	-	39,700	-	39,700
Interest	-	-	-	-
Miscellaneous	2,013	1,690	-	3,703
Occupancy	-	-	-	-
Postage	2,878	183	-	3,061
Printing	2,224	5,996	-	8,220
Professional fees	3,263	4,777	-	8,040
Promotional	3,154	140	-	3,294
Recipient meal costs	-	-	-	-
Service delivery mileage	-	-	-	-
Supplies	11,266	1,749	-	13,015
Telephone	4,572	9,283	-	13,855
Utilities	-	-	-	-
Volunteer recognition/recruitment	-	-	-	-
Total expenses before depreciation	3,700,566	612,765	-	4,313,331
Depreciation	9,852	520	-	10,372
TOTAL EXPENSES	\$ 3,710,418	\$ 613,285	\$ -	\$ 4,323,703

The Notes to Financial Statements
are an integral part of these statements.

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities

Combined Statement of Cash Flows
Year Ended September 30, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (2,903,845)	\$ 802,275
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	525,657	527,197
(Gain) loss on disposal of fixed assets	10,825	-
Net (gain) loss in value of investments	497,917	(1,356,149)
Change in operating assets and liabilities		
Grants and contracts receivable	2,230,378	(1,395,568)
Other receivable	(5,861)	89,234
Prepaid items and other current assets	(30,069)	(31,176)
Deferred compensation plan	20,000	-
Accounts payable	(197,984)	387,347
Payroll and compensated absences liabilities	(22,973)	(70,239)
Deferred revenues	7,257	34,621
Net cash flows provided by (used in) operating activities	131,302	(1,012,458)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	3,190,768	4,057,763
Purchase of investments	(2,808,214)	(3,746,366)
Acquisition of fixed assets	(19,460)	(108,337)
Net cash flows provided by investing activities	363,094	203,060
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	750,000	750,000
Payments on long-term debt	(1,574,488)	(71,880)
Payments on finance lease liabilities	(36,223)	-
Net cash flows provided by (used in) financing activities	(860,711)	678,120
Net change in cash and cash equivalents	(366,315)	(131,278)
CASH AND CASH EQUIVALENTS, beginning of year	1,192,075	1,323,353
CASH AND CASH EQUIVALENTS, end of year	\$ 825,760	\$ 1,192,075
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	\$ 77,242	\$ 92,729
Acquisition of right-of-use asset from financing lease liabilities	\$ 108,669	\$ -

The Notes to Financial Statements
are an integral part of these statements.

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Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Notes to Combined Financial Statements

Note 1. Organization

Organizations

Meals on Wheels and More, Inc. (MOWAM), formerly known as United Austin for the Elderly, Inc., was founded in 1972 by a group of volunteers who created the Meals on Wheels program to help meet the nutritional needs of homebound elderly people in Austin and Travis County. MOWAM has grown to provide a variety of program services that are designed to enable the homebound elderly to remain independent and in their own homes. MOWAM depends significantly on third-party reimbursement arrangements to carry out its program services. Effective March 2, 2016, MOWAM obtained an assumed name certificate to begin conducting business as Meals on Wheels Central Texas (MOWCT).

As of May 17, 2016, MOWCT became the sole member of Helping the Aging, Needy and Disabled, Inc. dba Meals on Wheels Central Texas In-Home Care (MOWCTX In-Home Care), another nonprofit organization located in Austin, Texas. MOWCTX In-Home Care promotes dignity and independence for the aged and disabled by providing household care, personal care, and other supportive services to those individuals. The activities of MOWCTX In-Home Care for the years ended September 30, 2025 and 2024, are included in these combined financial statements.

Principles of Combination

The accompanying combined financial statements reflect the combined financial statements of MOWCT, and MOWCTX In-Home Care (collectively, the Organizations). All significant intercompany accounts and transactions have been eliminated in the combination.

Method of Accounting

The Organizations use the accrual basis method of accounting. Such method of accounting recognizes support, revenue and the related receivables as earned, regardless of when the cash is collected. Expenses and related payables are recognized as incurred, regardless of when the obligation is paid.

Financial Statement Presentation

The Organizations' financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). To ensure that grant funds with donor restrictions are used for the purpose to which they are intended, the Organizations maintain their accounts in accordance with the principles of fund accounting. Funds are established for each of the Organizations' activities, based on their nature and purpose. Separate accounts are maintained for each fund. For financial statement purposes, the Organizations follow the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Financial Statements of Not-for-Profit Organizations*.

The classification of the Organizations' net assets and their support, revenue, and expenses are based on the existence or absence of donor-imposed restrictions. The Organizations report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Notes to Combined Financial Statements

Net assets without donor restrictions are free of donor-imposed restrictions; all revenues, expenses, gains, and losses that are not changes in net assets with donor-imposed restrictions are reported in this category. These net assets may include internally specially designated funds. See Note 9.

Net assets with donor restrictions include gifts with donor-imposed restrictions that permit the organization to use up or expend as specified and are satisfied either by the passage of time or by actions of the organization. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organizations or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. See Note 9.

Estimates

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

Revenue Recognition

Grants and contributions of cash and other assets are reported as net assets with donor restrictions support if they are received with donor stipulations that limit the use of the donated assets. For government grants in which the restriction is met in the same period that the revenue is recognized, the Organizations have elected to recognize as a net asset without donor restrictions.

Annual campaign contributions are generally available for general use in the related campaign year unless specifically restricted by the donor. The majority of the contributions are from a broad base of contributions as a result of the annual campaign. Promises to give are typically neither received nor recorded by the Organizations.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Organizations did not receive any contributions of donated services in 2025 or 2024 that meet the criteria for recording in the financial statements. The Organizations received donated food in 2025 and 2024 in the amounts of \$114,232 and \$133,662, respectively.

Program service fees are recognized as revenue when the fee is earned.

Meals on Wheels and More, Inc.

dba Meals on Wheels Central Texas and Related Entities

Notes to Combined Financial Statements

Fair Value Measurement

The Organizations follow FASB ASC 820, *Fair Value Measurements and Disclosures*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that 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 that the Organizations have the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organizations believe the 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 at the reporting date.

Cash and Cash Equivalents

For the purposes of the combined statement of cash flows, cash is defined as cash held in checking and money market accounts and certificates of deposit with maturities of less than 90 days, other than those held for investment purposes.

Investments

The Organizations' investments in equity securities with readily determinable fair value and all debt securities are reported at their fair value. Unrealized gains and losses arising from changes in the fair value of investments are reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by donors to a specified purpose or future period.

Meals on Wheels and More, Inc.
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Notes to Combined Financial Statements

Receivables

Grants and contract receivables represent expenses incurred, which will be offset by funds to be received. Receivables considered a problem to collect are reflected as an allowance for uncollectible accounts. As of September 30, 2025 and 2024 the Organization had no balance for the allowance for uncollectible accounts.

Fixed Assets

Generally, items with a cost or fair value over \$5,000 are capitalized as fixed assets and are stated at cost if purchased and fair value if donated. Depreciation is calculated by applying the straight-line method over the estimated useful lives of the assets of generally three to thirty years.

Leases

Leases are classified as finance leases (called "capital leases" under the previous GAAP) or operating leases, both of which create a right-of-use asset and a liability that should appear on the lessee's statement of financial position. Finance lease right-of-use assets will be amortized on a straight-line basis over the shorter of the useful life of the asset or the lease term. Operating lease right-of-use assets will be amortized on a straight-line basis over the lease term.

The Organization has elected the package of practical expedients to account for any existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under ASC Topic 842, (b) whether the classification of capital leases or operating leases would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

Income Taxes

The Organizations are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code for any income related to the Organizations' exempt purposes. The Internal Revenue Service classifies the Organizations as other than private foundations.

The Organizations have adopted ASC 740, *Accounting for Uncertainty in Income Taxes*. That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in financial statements. It also provides guidance for de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Organizations' federal exempt organization returns for the years ended September 30, 2019, and after are subject to examination by the Internal Revenue Service.

Meals on Wheels and More, Inc.

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Notes to Combined Financial Statements

Functional Expense Allocations

The Organizations allocate common costs between program services, management and general, and fundraising based on the use of office space for depreciation, equipment leases and maintenance, and office rent and activities of related personnel (time and effort) for all other allocable expenses. The resulting allocations are reviewed periodically by management and the allocation of costs is revised, if necessary, to reflect changes in the activities of the Organizations. The allocations reported in the financial statements are considered accounting estimates. These estimates may be adjusted as more current information becomes available and any adjustment could be significant.

Subsequent Events

The Company has evaluated subsequent events through June 25, 2026, which is the date the combined financial statements were available to be issued.

Note 2. Investments

The following table sets forth by level, within the fair value hierarchy, the Organizations' assets measured at fair value as of September 30, 2025 and 2024:

September 30, 2025					
	Level 1	Level 2	Level 3	Total Fair Value	Reported at Net Asset Value
Cash and money market accounts	\$ 184,813	\$ -	\$ -	\$ 184,813	\$ -
Mutual funds	3,097,195	-	-	3,097,195	-
Exchange traded products	3,339,731	-	-	3,339,731	-
U.S. equities	3,325,702	-	-	3,325,702	-
Fixed Income	3,226,593	-	-	3,226,593	-
Real Estate Investment Trusts	76,595	-	-	76,595	-
Alternative Investments	-	-	-	-	609,308
	<u>\$ 13,250,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,250,629</u>	<u>\$ 609,308</u>
September 30, 2024					
	Level 1	Level 2	Level 3	Total Fair Value	Reported at Net Asset Value
Cash and money market accounts	\$ 1,476,668	\$ -	\$ -	\$ 1,476,668	\$ -
Mutual funds	2,891,536	-	-	2,891,536	-
Exchange traded products	2,861,506	-	-	2,861,506	-
U.S. equities	3,767,521	-	-	3,767,521	-
Fixed Income	2,985,539	-	-	2,985,539	-
Real Estate Investment Trusts	96,745	-	-	96,745	-
Alternative Investments	-	-	-	-	660,893
	<u>\$ 14,079,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,079,515</u>	<u>\$ 660,893</u>

Investment return (loss) totaled \$1,305,585 and \$2,585,567 for the years ended September 30, 2025 and 2024, respectively, and is comprised of interest and dividends, unrealized/realized gains and losses, and investment fees. See donor restrictions set forth in Notes 9 and 10.

Meals on Wheels and More, Inc.

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Notes to Combined Financial Statements

Investments using level 1 inputs consist of money market accounts, mutual funds, exchange traded products, fixed income, and common and preferred stock, and real estate investment trusts. Management uses a market approach to value these investments, which is a valuation technique that uses prices and other relevant information generated by market transactions involving identical assets, liabilities, or groups of assets and liabilities.

Investments reported at net asset value (NAV) consist of real estate funds, private equity funds and other alternative investments for which fair value is determined using the net asset value per share of the underlying investments, as provided by the fund manager, and are not classified within the fair value hierarchy. Such funds reported as alternative investments and reported at NAV include the following:

Greenbacker Renewable Energy Class fund focuses on investing in renewable energy projects, such as solar, wind, and hydroelectric power. It aims to provide investors with attractive returns while supporting the transition to clean and sustainable energy sources. The fund's investments are primarily in operating renewable energy projects across different regions.

Hilltop Growth Fund Blocker V LP investment is a private equity fund that targets high-growth companies across various sectors. The fund seeks capital appreciation by making strategic investments in companies with significant growth potential. It aims to provide long-term value to its investors through active management and strategic decision-making.

Note 3. Fixed Assets

Fixed assets as of September 30, 2025 and 2024, and activity in fixed assets for the year ended September 30, 2025, consists of the following:

	Balance 2024	Additions	Retirements	Balance 2025
MOWCT				
Cost				
Land	\$ 169,032	\$ -	\$ -	\$ 169,032
Buildings	7,220,278	19,460	(14,649)	7,225,089
Automobiles	1,449,968	-	-	1,449,968
Furniture & equipment	1,135,207	-	-	1,135,207
Kitchen equipment	1,139,016	-	-	1,139,016
Total cost	11,113,501	19,460	(14,649)	11,118,312
Accumulated depreciation	(6,605,552)	(504,390)	3,824	(7,106,118)
	4,507,949	(484,930)	(10,825)	4,012,194
MOWCT In-Home Care				
Cost				
Furniture, fixtures, & equipment	61,495	-	-	61,495
Vehicles	24,760	-	-	24,760
Software	32,463	-	-	32,463
Total cost	118,718	-	-	118,718
Accumulated depreciation	(115,562)	(3,156)	-	(118,718)
	3,156	(3,156)	-	-
Total net fixed assets	\$ 4,511,105	\$ (488,086)	\$ (10,825)	\$ 4,012,194

Certain real property owned by MOWCT is used to secure a loan payable to a bank. See Note 4.

Meals on Wheels and More, Inc.
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Notes to Combined Financial Statements

Note 4. Long-Term Debt

On November 6, 2020, MOWCT refinanced their note payable in the amount of \$2,500,000 with an interest rate of 3.25%. Payments on the note are \$12,252 with the first payment being due on December 5, 2020, and the note matures on November 5, 2030, with the remaining principal due at that time. Proceeds from the loan were used in prior years for the expansion of facilities located on East 5th Street. The promissory note had a balance of \$2,160,681 as of September 30, 2025, and balance of \$2,235,169 as of September 30, 2024, and is secured by real property.

Maturities required on long-term debt in future years are as follows:

2026	\$	76,989
2027		79,565
2028		82,046
2029		84,971
2030		87,814
Thereafter		<u>1,749,296</u>
	\$	<u>2,160,681</u>

On June 10, 2024, the Organization entered into a line of credit with a financial institution for an amount up to \$1,000,000 subject to a borrowing base formula. The line of credit matures on June 10, 2026 and is subject to a variable interest rate based on the rolling 30-calendar day average secured overnight financing rate. The outstanding balance on the line of credit was \$0 and \$750,000 at September 30, 2025 and 2024, respectively, and is recorded in the accompanying combined statements of financial position as a current liability.

Note 5. Post Employment Benefit Plan

MOWCT maintains a 401(k) profit sharing plan, a defined contribution plan, for all eligible employees. Eligible employees may voluntarily contribute a portion of their salary to the plan as well. All eligible employees are fully vested in voluntary contributions and are fully vested in MOWCT's contributions after 2 years of service. During the fiscal years ended September 30, 2025 and 2024, MOWCT contributed 4% of eligible salaries to the plan amounting to \$185,567, and \$178,472, respectively.

During 2016, MOWCTX In-Home Care adopted the MOWCT 401(k) Profit Sharing Plan. Service with MOWCTX In-Home Care will be counted toward the minimum service requirement for eligibility after May 20, 2016. Employees previously eligible as MOWCT employees who transferred to MOWCTX In-Home Care continued eligibility with no break in service. Employer contributions are based on compensation for eligible participants, regardless of employee deferrals. During the fiscal years ended September 30, 2025 and 2024, MOWCTX In-Home Care contributed 4% of eligible salaries to the plan amounting to \$104,096 and \$99,939, respectively.

Meals on Wheels and More, Inc.
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Notes to Combined Financial Statements

Note 6. Grants and Contracts

Grants and contracts reported in the accompanying combined financial statements represent 73% and 75% of total support and revenue for the years ended September 30, 2025 and 2024, respectively.

MOWCT operates under various grant agreements with government agencies which generally cover a one year period, subject to annual renewals. The terms of these grants allow the grantors the right to audit the costs incurred there under. Any costs disallowed by the grantor would be absorbed by MOWCT. Management believes any adjustments by the grantors, if any, would be immaterial and would not have a material adverse effect on the financial position of MOWCT.

Note 7. Concentration of Funding Source and Receivables

Two donors accounted for approximately 31% of their total revenues received by the Organizations for the year ended September 30, 2025. The Organization received approximately 15% of their total revenues from one donor for the year ended September 30, 2024.

One customer accounted for approximately 62% of the Organizations' total accounts receivable balance as of September 30, 2025. One customer accounted for approximately 64% of the Organizations' total accounts receivable balance as of September 30, 2024.

Note 8. Concentration of Credit Risk for Cash Held in Bank

The Organizations maintain cash accounts at financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC). At September 30, 2025 and 2024, there was \$120,509 and \$253,310 respectively, that exceeded the amount of FDIC coverage.

Note 9. Net Assets

Net assets with donor restrictions for time or purpose were \$1,487,949 and \$1,830,071 as of September 30, 2025 and 2024 respectively. Net assets were released from restrictions by incurring expenses satisfying the purpose restrictions specified. Total net assets released from restrictions for the years ended September 30, 2025 and 2024 were \$1,770,751 and \$4,860,935, respectively.

Note 10. The Myrtle Agnew Walker Endowment

On July 7, 2017, MOWCT established The Myrtle Agnew Walker Endowment (The MAW Endowment) with the purpose of creating a permanent endowment to support MOWCT's In-Home Care activities within MOWCTX In-Home Care.

MOWCT has interpreted the Uniform Prudent Management of Institutional Funds Acts (UPMIFA) 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. Net assets with donor restrictions in perpetuity are classified at the original value of gifts donated to the permanent endowment, plus the original value of subsequent gifts to the permanent endowment. Certain gifts do require a portion of earnings to be added to the net assets with donor restrictions in perpetuity. The earnings portion of the donor restricted endowment fund is classified as net assets with donor restrictions for time or purpose until those funds are appropriated for expenditure by the MOWCT in a manner consistent with the standard of prudence prescribed by UPMIFA.

Meals on Wheels and More, Inc.
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Notes to Combined Financial Statements

MOWCT's has an informal spending policy set by provisions of its governing documents. Over the long term, MOWCT expects the current spending policy to allow its endowment fund to retain both principal value as well as purchasing power.

To achieve those objectives, MOWCT has adopted an investment policy that attempts to maintain total return consistent with an acceptable level of risk by balancing investment concentrations in a well-diversified asset mix. MOWCT expects endowment fund assets to produce average annual rates of return equal to or greater than 4 percent over the Consumer Price Index. However, actual returns in any given year may exceed or fall below these benchmarks. Investment risk is measured in terms of the total fund, and investment assets and allocations between asset classes and strategies are managed so as not to expose MOWCT to unacceptable levels of risk.

On March 28, 2024, an amendment to the endowment agreement was approved revoking the original restricted fund agreement. The donor made the endowment restricted no longer in perpetuity, but rather restricted for MOWCTX In-Home Care.

Changes in The MAW Endowment fund were as follows for the year ended September 30, 2024:

	Without Donor Restrictions	With Donor Restrictions		
		Time or Purpose	In Perpetuity	Total
Beginning of year	\$ -	\$ 24,406	\$ 1,000,000	\$ 1,024,406
Contributions	-	-	-	-
Releases	-	(24,406)	(1,000,000)	(1,024,406)
Investment return, net	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 11. Available Resources and Liquidity

The following represents the Organizations' financial assets at September 30, 2025 and 2024:

	2025	2024
Financial assets at year end		
Cash and cash equivalents	\$ 825,760	\$ 1,192,075
Investments	13,859,937	14,740,408
Receivables		
Grants and contracts, net of allowance	1,612,568	3,842,946
Other	26,267	20,406
Total financial assets at year end	<u>16,324,532</u>	<u>19,795,835</u>
Less amounts not available for general use within one year		
Net assets with donor restrictions	<u>1,487,949</u>	<u>1,830,071</u>
Total amounts not available for general use within one year	<u>1,487,949</u>	<u>1,830,071</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 14,836,583</u>	<u>\$ 17,965,764</u>

Meals on Wheels and More, Inc.
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Notes to Combined Financial Statements

MOWCT receives contributions with donor restrictions to be used in accordance with the associated purpose. Contributions may include gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs or support operations. In addition, MOWCT receives contributions without donor restrictions; such support has historically represented 26% of annual operations, with the remainder coming from other revenue streams, such as grants in accordance with the applicable donor restrictions.

MOWCT considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restriction, and contributions with donor restriction for use in programs that are ongoing, major, and central to its annual operations as available to meet cash needs for general expenditure. General expenditures include general and administrative expense, fundraising expense, and grant commitments expected to be paid in the subsequent year. Annual operations are defined as total expense related to both program services and supporting services activities.

MOWCT manages its cash available to meet general expenditures through the following guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets, and maintaining sufficient reserves to provide reasonable assurance that long-term agreements or other commitments and obligations under donor restricted liquid assets and endowments will continue to be met, thereby ensuring the sustainability of MOWCT.

MOWCT operates on an annual budget cycle, which is approved by the Board of Directors. The Board of Directors meets several times each year and reviews both the financial statements and unbudgeted expenses.

Note 12. Leases

MOWCT entered into a long-term lease agreement for their computer equipment as a lessee. The lease allows the right to use the equipment over the term of the lease with an option to buy at the end of the lease term. MOWCT is required to make periodic payments at a stated interest rate of 4.78%.

MOWCT determines if an arrangement is a lease at inception. Finance leases are included in right-of-use (ROU) assets, on the combined statements of financial position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term. In evaluating contracts to determine if they qualify as a lease, MOWCT considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment. Amortization recorded on ROU assets for the years ended September 30, 2025 and 2024 totaled approximately \$18,000 and \$0, respectively.

None of MOWCT's lease agreements contain contingent rental payments, material residual value guarantees or material restrictive covenants. The depreciable life of related leasehold improvements is based on the shorter of the useful life or the lease term. MOWCT has no finance leases, no sublease agreements, and no lease agreements in which it is named as a lessor. MOWCT performs interim reviews of its long-lived assets for impairment when evidence exists that the carrying value of an asset group, including a lease asset, may not be recoverable, and MOWCT did not recognize an impairment expense associated with finance lease assets during 2025 and 2024. The weighted average remaining lease term and discount rate for 2025 was 2 years and 4.78%, respectively. There were no active lease agreements during the year ended September 30, 2024.

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Notes to Combined Financial Statements

Future minimum rental payments under noncancellable finance leases as of September 30, 2025, consist of the following:

Year Ending September 30,	
2026	\$ 38,041
2027	<u>38,041</u>
Total	<u>\$ 76,082</u>

Reconciliation of the undiscounted cash flows to the finance lease liability as of September 30, 2025 is as follows:

	<u>2025</u>	<u>2024</u>
Total future minimum lease payments	\$ 76,082	\$ -
Less imputed interest	<u>(3,636)</u>	<u>-</u>
Total lease liability	<u>\$ 72,446</u>	<u>\$ -</u>

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Supplemental Information

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Combining Statement of Financial Position
September 30, 2025

	Meals on Wheels Central Texas	MOWCTX In- Home Care	Eliminations	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 552,199	\$ 273,561	\$ -	\$ 825,760
Receivables				
Grants and contracts, net of allowance	1,305,709	306,859	-	1,612,568
Other	40,646	264,968	(279,347)	26,267
Prepaid items and other current assets	265,931	20,075	-	286,006
Total current assets	2,164,485	865,463	(279,347)	2,750,601
NON-CURRENT ASSETS				
Investments	13,859,937	-	-	13,859,937
Right-of-use asset, net	90,558	-	-	90,558
Fixed assets				
Land and building	7,394,121	-	-	7,394,121
Office furniture and equipment	1,135,207	93,958	-	1,229,165
Kitchen equipment	1,139,016	-	-	1,139,016
Vehicles	1,449,968	24,760	-	1,474,728
Accumulated depreciation	(7,106,118)	(118,718)	-	(7,224,836)
Total non-current assets	17,962,689	-	-	17,962,689
TOTAL ASSETS	\$ 20,127,174	\$ 865,463	\$ (279,347)	\$ 20,713,290
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable	\$ 657,829	\$ 7,183	\$ -	\$ 665,012
Accrued payroll liabilities	416,339	142,811	(279,347)	279,803
Liability for compensated absences	92,294	30,953	-	123,247
Deferred revenue	172,488	-	-	172,488
Current portion of long-term debt	76,989	-	-	76,989
Current portion of lease liability	34,649	-	-	34,649
Total current liabilities	1,450,588	180,947	(279,347)	1,352,188
Non-current liabilities				
Long-term debt	2,083,692	-	-	2,083,692
Deferred compensation plan	20,000	-	-	20,000
Lease liability	37,797	-	-	37,797
Total non-current liabilities	2,141,489	-	-	2,141,489
Total liabilities	3,592,077	180,947	(279,347)	3,493,677
NET ASSETS				
Without donor restrictions				
Undesignated	15,047,148	684,516	-	15,731,664
Total without donor restrictions	15,047,148	684,516	-	15,731,664
With donor restrictions				
Time or purpose	1,487,949	-	-	1,487,949
Total with donor restrictions	1,487,949	-	-	1,487,949
Total net assets	16,535,097	684,516	-	17,219,613
TOTAL LIABILITIES AND NET ASSETS	\$ 20,127,174	\$ 865,463	\$ (279,347)	\$ 20,713,290

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities

Combining Statement of Activities
Year Ended September 30, 2025

	Meals on Wheels Central Texas	MOWCTX In- Home Care	Eliminations	Total
NET ASSETS WITHOUT DONOR RESTRICTIONS				
Support and revenue				
Grants and contracts	\$ 7,772,641	\$ 3,573,364	\$ (262,950)	\$ 11,083,055
Public contributions	4,352,493	65,423	-	4,417,916
In-kind donations	114,232	-	-	114,232
Other revenue	118,672	12,089	(44,113)	86,648
Net assets released from restrictions	1,770,751	-	-	1,770,751
Total support and revenue	14,128,789	3,650,876	(307,063)	17,472,602
Expenses				
Program services	13,787,448	3,705,606	(262,950)	17,230,104
Management and general	2,241,014	694,339	(44,113)	2,891,240
Development fundraising	1,218,357	209	-	1,218,566
Total expenses	17,246,819	4,400,154	(307,063)	21,339,910
Revenues over (under) expenses	(3,118,030)	(749,278)	-	(3,867,308)
Other revenues and expenses				
Investment return, net	1,305,585	-	-	1,305,585
Total other revenues and expenses	1,305,585	-	-	1,305,585
Increase (decrease) in net assets without donor restrictions	(1,812,445)	(749,278)	-	(2,561,723)
NET ASSETS WITH DONOR RESTRICTIONS				
Time or purpose				
Support and revenue				
Grants and contracts	1,428,629	-	-	1,428,629
Net assets released from restrictions	(1,770,751)	-	-	(1,770,751)
Increase (decrease) in net assets with donor restrictions - time or purpose	(342,122)	-	-	(342,122)
Increase (decrease) in net assets	(2,154,567)	(749,278)	-	(2,903,845)
NET ASSETS, beginning of year	18,689,664	1,433,794	-	20,123,458
NET ASSETS, end of year	\$ 16,535,097	\$ 684,516	\$ -	\$ 17,219,613

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities

Schedule of Expenditures of Federal Awards
Year Ended September 30, 2025

<u>Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
FEDERAL ASSISTANCE			
U.S Department of Health and Human Services			
Passed through Texas Department on Aging			
Capital Area Planning Council			
Title III C-1 Congregate meals	93.045	AAA13-06	\$ 938,670
Title III C-2 Home delivered meals	93.045	AAA13-06	1,910,978
Title III B Home repair revenue	93.044	AAA13-06	39,350
Total Aging Cluster			2,888,998
Total U.S. Department of Health and Human Services			2,888,998
U.S. Department of Housing and Urban Development			
Passed Through Travis County			
Community Development Block Grant	14.228	4600000920	106,412
Total U.S. Department of Housing and and Urban Development			106,412
TOTAL FEDERAL ASSISTANCE			<u>\$ 2,995,410</u>

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities

Schedules of Expenditures on State Awards
Year Ended September 30, 2025

Grantor/Pass-Through Grantor Program Title	Pass-Through Entity Identifying Number	Expenditures
STATE ASSISTANCE		
Texas Department of Agriculture Texans Feeding Texas - Home Delivered Meal Program	HDM2024156 & HDM2025130	\$ 510,206
Texas Department of Housing and Community Affairs Amy Young Barrier Removal Program	1002956	45,336
Texas Veterans Commission		
Texas Veterans Home Repair Program	HTX25-H-004	109,055
Texas Veterans Home Repair Program	HTX24-M-032	477,065
Total Texas Veterans Commission		<u>586,120</u>
TOTAL STATE ASSISTANCE		<u><u>\$ 1,141,662</u></u>

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Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Notes of Schedules of Expenditures of Federal and State Awards

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of MOWCT and are presented on the accrual basis of accounting. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas Grant Management Standards (TxGMS).

Note 2. Contingent Liabilities

MOWCT participates in federal and state assisted programs. These programs are audited in accordance with *Government Auditing Standards*, Uniform Guidance, and the State of Texas Grant Management Standards, if applicable, in accordance with the required levels of Federal and State Financial Assistance. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, management believes that further examinations would not result in any significant disallowed costs.

Note 3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedules may not agree with the amounts reported in the related Federal or State financial reports filed with the grantor agencies because of accruals made in the schedules which will be included in future reports filed with agencies.

Note 4. Indirect Cost Rate

MOWCT has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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**Independent Auditor's 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
Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities
Austin, Texas

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 combined financial statements of Meals on Wheels and More, Inc. dba Meals on Wheels Central Texas and related entities (the Organizations), which comprise the combined statement of financial position as of September 30, 2025, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements and have issued our report thereon dated June 25, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Organizations' 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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' 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 entity's combined 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organizations' combined financial statements are free from 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 combined 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*.

The Board of Directors
Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
June 25, 2026

**Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control Over Compliance
Required By Uniform Guidance and the State of Texas
Grant Management Standards**

To the Board of Directors
Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities
Austin, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Compliance for Each Major Federal and State Program

We have audited Meals on Wheels and More, Inc. dba Meals on Wheels Central Texas and related entities (the Organizations) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the State of Texas Grant Management Standards (TxGMS) that could have a direct and material effect on the Organizations' major federal and state programs for the year ended September 30, 2025. The Organizations' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the organizations complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal and state programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal and State 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) and TxGMS. 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 the Organizations and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Organizations' 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 the Organization's federal and state programs.

Auditor's 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 the Organizations' 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*, Uniform Guidance and TxGMS, 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 the Organizations' compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance and TxGMS, 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 Organizations' 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 Organizations' 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 and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' 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 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.

The Board of Directors
Meals on Wheels and More, Inc. dba
Meals on Wheels Central Texas and Related Entities

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 and TxGMS. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
June 25, 2026

Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Schedule of Findings and Questioned Costs
September 30, 2025

Section 1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over compliance:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	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 Section 200.516(a) of Uniform Guidance?	No
Identification of major federal program:	

Federal Assistance Listing Number

93.045 and 93.044

Name of Federal Program or Cluster

Aging Cluster

Dollar threshold used to distinguish programs	\$1,000,000
Auditee qualified as low-risk auditee	Yes

State Awards

Internal control over major state programs:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	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 TxGMS	No
Identification of major state program:	

Grant Number

HTX25-H-004, HTX24-M-032

Name of State Program

Texas Veterans Home Repair Program

Dollar threshold used to distinguish Type A programs	\$1,000,000
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Meals on Wheels and More, Inc.
dba Meals on Wheels Central Texas and Related Entities
Schedule of Findings and Questioned Costs
September 30, 2025

Section 2. Financial Statement Findings

None reported

Section 3. Federal and State Award Findings and Questioned Costs

None reported

Section 4. Schedule of Prior Audit Findings and Questioned Costs

None reported