

**TABLE MINISTRIES, INC.**  
**Carrboro, North Carolina**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2018 (AUDITED)**  
**WITH COMPARATIVE TOTALS FOR THE YEAR**  
**ENDED AUGUST 31, 2017 (UNAUDITED)**



## CONTENTS

	<u>PAGES</u>
Independent Auditor's Report	2-3
Exhibits:	
"A" Statements of Financial Position	4
"B" Statement of Activities and Changes in Net Assets	5
"C" Statements of Cash Flows	6
"D" Statement of Functional Expenses	7
Notes to Financial Statements	8-10

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## **INDEPENDENT AUDITOR'S REPORT**

Page 1 of 2

Board of Directors  
TABLE Ministries, Inc.  
Carrboro, North Carolina

We have audited the accompanying financial statements of TABLE Ministries, Inc., (a nonprofit organization), which comprise the statement of financial position as of August 31, 2018, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, 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 fair 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 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.

**BLACKMAN & SLOOP, CPAS, P.A.**

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***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TABLE Ministries, Inc., as of August 31, 2018, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

The accompanying statement of financial position of TABLE Ministries, Inc. as of August 31, 2017, and the related statements of activities and changes in net assets, cash flows, and functional expenses, for the year then ended were not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any other form of assurance on them.

*Blackman & Sloop*

Chapel Hill, North Carolina  
March 1, 2019

## TABLE MINISTRIES, INC.

## EXHIBIT A

## STATEMENTS OF FINANCIAL POSITION

August 31, 2018 and 2017

	<u>ASSETS</u>	
	<u>2018</u> <u>Audited</u>	<u>2017</u> <u>Unaudited</u>
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 405,679	\$ 289,129
Inventory	39,990	15,065
Prepaid Expenses	3,000	3,000
<b>TOTAL CURRENT ASSETS</b>	<u>448,669</u>	<u>307,194</u>
<b>PROPERTY AND EQUIPMENT:</b>		
Computer equipment	860	860
Vehicles	2,673	5,173
Less: accumulated depreciation	<u>(2,071)</u>	<u>(2,541)</u>
<b>NET PROPERTY AND EQUIPMENT</b>	<u>1,462</u>	<u>3,492</u>
<b>OTHER ASSETS:</b>		
Security deposit	<u>3,000</u>	<u>3,000</u>
<b>TOTAL ASSETS</b>	<u>\$ 453,131</u>	<u>\$ 313,686</u>
	<u>LIABILITIES AND NET ASSETS</u>	
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 6,924	\$ 12,421
Accrued payroll liabilities	<u>9,056</u>	<u>3,516</u>
<b>TOTAL LIABILITIES</b>	<u>15,980</u>	<u>15,937</u>
<b>NET ASSETS:</b>		
Unrestricted	422,151	283,249
Temporarily restricted	<u>15,000</u>	<u>14,500</u>
<b>TOTAL NET ASSETS</b>	<u>437,151</u>	<u>297,749</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 453,131</u>	<u>\$ 313,686</u>

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

## TABLE MINISTRIES, INC.

## EXHIBIT B

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended August 31, 2018  
(With Comparative Totals for the Year Ended August 31, 2017)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Totals Audited</u>	<u>2017 Totals Unaudited</u>
<b>SUPPORT AND REVENUE:</b>				
Gifts and grants	\$ 451,938	\$ 15,000	\$ 466,938	\$ 327,847
In-kind donations	241,268	-	241,268	172,499
Special events	32,575	-	32,575	21,004
Loss on disposal of vehicle	(205)	-	(205)	-
	<u>725,576</u>	<u>15,000</u>	<u>740,576</u>	<u>521,350</u>
Net assets released from restrictions	<u>14,500</u>	<u>(14,500)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>740,076</u>	<u>500</u>	<u>740,576</u>	<u>521,350</u>
<b>EXPENSES:</b>				
<b>PROGRAM:</b>				
Grants and related expenses	<u>506,775</u>	<u>-</u>	<u>506,775</u>	<u>404,141</u>
<b>SUPPORTING SERVICES:</b>				
Management and general	46,309	-	46,309	40,808
Fundraising	48,090	-	48,090	40,720
Total supporting services	<u>94,399</u>	<u>-</u>	<u>94,399</u>	<u>81,528</u>
<b>TOTAL EXPENSES</b>	<u>601,174</u>	<u>-</u>	<u>601,174</u>	<u>485,669</u>
<b>CHANGES IN NET ASSETS</b>	138,902	500	139,402	35,681
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>283,249</u>	<u>14,500</u>	<u>297,749</u>	<u>262,068</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 422,151</u>	<u>\$ 15,000</u>	<u>\$ 437,151</u>	<u>\$ 297,749</u>

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

## TABLES MINISTRIES, INC.

## EXHIBIT C

## STATEMENTS OF CASH FLOWS

For the Years Ended August 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
	<b>Audited</b>	<b>Unaudited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 139,402	\$ 35,681
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	925	1,071
Loss on sale of fixed assets	205	-
Increase (decrease) in cash arising from changes in assets and liabilities:		
Inventory	(24,925)	6,705
Prepaid expenses	-	(600)
Security deposit	-	(3,000)
Accounts payable and accrued expenses	(5,497)	5,951
Accrued payroll liabilities	5,540	3,516
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>115,650</b>	<b>49,324</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of fixed assets	900	-
<b>NET INCREASE IN CASH AND EQUIVALENTS</b>	<b>116,550</b>	<b>49,324</b>
<b>CASH AND EQUIVALENTS - BEGINNING OF YEAR</b>	<b>289,129</b>	<b>239,805</b>
<b>CASH AND EQUIVALENTS - END OF YEAR</b>	<b>\$ 405,679</b>	<b>\$ 289,129</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Noncash transactions:		
Donated food	\$ 241,268	\$ 172,499

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

## TABLE MINISTRIES, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

EXHIBIT D

**For the Year Ended August 31, 2018**  
**(With Comparative Totals for the Year Ended August 31, 2017)**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>2018 Totals Audited</b>	<b>2017 Totals Unaudited</b>
Food distribution	\$ 340,446	\$ -	\$ -	\$ 340,446	\$ 245,285
Salaries and benefits	116,644	25,266	29,715	171,625	150,767
Occupancy	36,533	3,041	1,538	41,112	50,222
Office supplies	4,947	3,074	5,068	13,089	11,883
Development	2,040	-	9,894	11,934	7,243
Professional Fees	-	8,359	-	8,359	9,644
Information technology	1,485	910	1,485	3,880	3,600
Meetings	-	3,355	-	3,355	278
Insurance	1,173	1,923	237	3,333	3,588
Vehicle	2,060	108	-	2,168	1,470
Miscellaneous	646	199	103	948	618
Depreciation	801	74	50	925	1,071
<b>Total Expenses</b>	<b>\$ 506,775</b>	<b>\$ 46,309</b>	<b>\$ 48,090</b>	<b>\$ 601,174</b>	<b>\$ 485,669</b>

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

**TABLES MINISTRIES, INC.****NOTES TO FINANCIAL STATEMENTS**

Page 1 of 3

**NATURE OF ACTIVITIES**

TABLE Ministries, Inc. (“Organization”) is a nonprofit organization, formed under the laws of the State of North Carolina in 2008, for the principal purpose of providing healthy, emergency food aid every week to hungry preschool, elementary, and middle school children living in Chapel Hill and Carrboro, North Carolina.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting.**

The Organization’s financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Accordingly, revenues are recognized when earned, and expenses are recognized when the obligation is incurred.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

**B. Cash and Equivalents.**

Cash and equivalents consist of monies on deposit at financial institutions, and other highly liquid investments with maturities of three months or less. At times, the Organization places deposits with high-quality financial institutions that may be in excess of federally insured amounts. The Organization has not experienced any financial loss related to such deposits.

**C. Promises to Give.**

Unconditional promises to give are recognized as support and assets in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. An allowance for uncollectible promises is calculated based on management’s estimate.

**D. Inventory.**

Inventory consists of food donated or purchased for distribution to children, and the value is recorded at a standard rate per pound.

## TABLES MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

Page 2 of 3

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

## E. Property and Equipment.

Property and equipment are stated at cost. Property and equipment are capitalized if the life is expected to be greater than one year and if the cost exceeds \$500. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

## F. Net Assets.

*Unrestricted* - Resources of the Organization that are not restricted by donors or grantors as to use or purpose. These resources include amounts generated from operations, undesignated gifts, and investments in property and equipment.

*Temporarily Restricted* - Resources that carry a donor-imposed restriction that require the Organization to use or expend the donated assets as specified by the donor. The restrictions are satisfied by the passage of time or by actions of the Organization.

*Permanently Restricted* - Resources that carry a donor-imposed restriction that stipulate donated assets be maintained in perpetuity, but may permit the Organization to use or expend part or all of the income derived from the donated assets.

## G. Donated Services.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

## H. Estimates.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## I. Income Tax Status.

The Organization is exempt from income tax as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private Foundation. If applicable, the Organization reports interest and penalties related to unrecognized tax positions as interest expense under management and general expenses.

## TABLES MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

Page 3 of 3

**DONATED MATERIALS AND SUPPORT**

The Organization receives food donations each year to help support the hungry preschool, elementary, and middle school children living in Chapel Hill and Carrboro, North Carolina. The amount of this support is \$241,268, for the year ended August 31, 2018.

**TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at August 31, 2018, are restricted for Capacity Building Phase II, which includes consulting, communications, and IT support.

Temporarily restricted net assets at August 31, 2017, are restricted for specific program activity.

**LEASES**

The Organization entered into a lease for office space beginning February 2017 and ending January 2019. Monthly payments total \$3,000. Rent expense under the office space lease agreement for the year ended August 31, 2018 totaled \$36,000. In January of 2019, the lease was extended for an additional 12 month period through January 31, 2020 at the same base rent of \$3,000 per month.

The Organization leases parking spaces on a month-to-month basis with payments totaling \$177 per month. Rent expense for the parking spaces totaled \$2,124 for the year ended August 31, 2018.

The Organization entered into a copier lease beginning August 2015 and ending July 2020. Monthly payments total \$110. Rent expense under this lease agreement for the year ended August 31, 2018 totaled \$1,320.

Minimum lease payments under the lease agreements are as follows:

<u>Year Ended August 31,</u>	<u>Amount</u>
2019	\$ 37,320
2020	16,210
Total minimum future payments	<u>\$ 53,530</u>

**SUBSEQUENT EVENT**

Management has evaluated subsequent events for recognition or disclosure through March 1, 2019, which is the date that the financial statements were available to be issued, and determined there were no events that require disclosure.