

**TABLE MINISTRIES, INC.**  
**Carrboro, North Carolina**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**



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## **INDEPENDENT AUDITOR'S REPORT**

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

### ***Opinion***

We have audited the accompanying financial statements of TABLE Ministries, Inc., (a nonprofit organization) which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TABLE Ministries, Inc., as of August 31, 2023 and 2022, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of TABLE Ministries, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TABLE Ministries, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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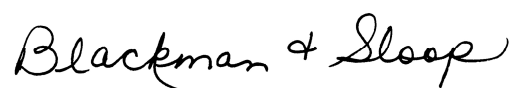
***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TABLE Ministries, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TABLE Ministries, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Chapel Hill, North Carolina  
February 14, 2024

**TABLE MINISTRIES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

**EXHIBIT A**

**August 31, 2023 and 2022**

**ASSETS**

	<b>2023</b>	<b>2022</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,388,090	\$ 827,647
Inventory	19,493	4,572
Prepaid expenses	12,369	5,550
Promises to give	654,155	203,987
Grants receivable	164,093	61,433
Accounts receivable	1,600	-
	<b>3,239,800</b>	<b>1,103,189</b>
<b>PROPERTY AND EQUIPMENT:</b>		
Building	1,027,638	1,027,638
Land	2,000,000	2,000,000
Computer equipment	3,936	3,936
Less: accumulated depreciation	(37,971)	(11,006)
	<b>2,993,603</b>	<b>3,020,568</b>
<b>OTHER ASSETS:</b>		
Right of use asset - operating leases, net of amortization	3,012	-
Security deposit	2,235	2,235
Grants receivable, net of current portion	100,000	-
Promises to give, net of current portion	64,000	225,000
	<b>169,247</b>	<b>227,235</b>
	<b>6,402,650</b>	<b>4,350,992</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 48,929	\$ 39,443
Accrued payroll liabilities	9,863	16,964
Current portion of long-term debt	69,630	-
Operating lease liability	3,012	-
	<b>131,434</b>	<b>56,407</b>
<b>LONG TERM LIABILITIES:</b>		
Long-term debt, net of current portion	1,091,319	1,160,949
	<b>1,222,753</b>	<b>1,217,356</b>
<b>NET ASSETS:</b>		
Without donor restrictions	2,937,551	2,643,216
With donor restrictions	2,242,346	490,420
	<b>5,179,897</b>	<b>3,133,636</b>
	<b>6,402,650</b>	<b>4,350,992</b>

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

## TABLE MINISTRIES, INC.

## EXHIBIT B

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Years Ended August 31, 2023 and 2022

Page 1 of 2

	2023		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>SUPPORT AND REVENUE:</b>			
Gifts and grants	\$ 1,464,744	\$ 2,006,563	\$ 3,471,307
Contribution of nonfinancial assets	351,873	-	351,873
Special events, net	20,888	-	20,888
Net investment return	39,995	-	39,995
Rental income	15,467	-	15,467
Other income	14	-	14
	<u>1,892,981</u>	<u>2,006,563</u>	<u>3,899,544</u>
Net assets released from restrictions	<u>254,637</u>	<u>(254,637)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>2,147,618</u>	<u>1,751,926</u>	<u>3,899,544</u>
<b>EXPENSES:</b>			
<b>PROGRAM:</b>			
Grants and related expenses	<u>1,472,190</u>	<u>-</u>	<u>1,472,190</u>
<b>SUPPORTING SERVICES:</b>			
Management and general	127,323	-	127,323
Fundraising	253,770	-	253,770
Total supporting services	<u>381,093</u>	<u>-</u>	<u>381,093</u>
<b>TOTAL EXPENSES</b>	<u>1,853,283</u>	<u>-</u>	<u>1,853,283</u>
<b>CHANGES IN NET ASSETS</b>	294,335	1,751,926	2,046,261
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>2,643,216</u>	<u>490,420</u>	<u>3,133,636</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,937,551</u>	<u>\$ 2,242,346</u>	<u>\$ 5,179,897</u>

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

## TABLE MINISTRIES, INC.

## EXHIBIT B

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Years Ended August 31, 2023 and 2022

Page 2 of 2

	2022		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>SUPPORT AND REVENUE:</b>			
Gifts and grants	\$ 1,421,068	\$ 590,123	\$ 2,011,191
Contribution of nonfinancial assets	272,732	-	272,732
Special events, net	14,363	-	14,363
Net investment return	3,339	-	3,339
Other income	757	-	757
	<u>1,712,259</u>	<u>590,123</u>	<u>2,302,382</u>
Net assets released from restrictions	<u>712,463</u>	<u>(712,463)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>2,424,722</u>	<u>(122,340)</u>	<u>2,302,382</u>
<b>EXPENSES:</b>			
<b>PROGRAM:</b>			
Grants and related expenses	<u>1,222,584</u>	<u>-</u>	<u>1,222,584</u>
<b>SUPPORTING SERVICES:</b>			
Management and general	115,473	-	115,473
Fundraising	<u>127,477</u>	<u>-</u>	<u>127,477</u>
Total supporting services	<u>242,950</u>	<u>-</u>	<u>242,950</u>
<b>TOTAL EXPENSES</b>	<u>1,465,534</u>	<u>-</u>	<u>1,465,534</u>
<b>CHANGES IN NET ASSETS</b>	959,188	(122,340)	836,848
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>1,684,028</u>	<u>612,760</u>	<u>2,296,788</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,643,216</u>	<u>\$ 490,420</u>	<u>\$ 3,133,636</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 Ending August 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 2,046,261	\$ 836,848
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Contribution of food	(351,873)	(272,732)
Distribution of food	1,022,399	910,789
Depreciation expense	26,965	8,301
Changes in assets and liabilities:		
Inventory	(685,447)	(635,441)
Prepaid expenses	(6,819)	-
Promises to give	(289,168)	(295,052)
Right of use assets - operating leases	(3,012)	-
Security deposit	-	765
Accounts receivable	(1,600)	(40,600)
Grants receivable	(202,660)	-
Accounts payable and accrued expenses	9,486	31,729
Accrued payroll liabilities	(7,101)	11,239
Operating lease liability	3,012	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,560,443</u>	<u>555,846</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	-	(3,027,639)
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:</b>		
Borrowings of long-term debt	-	1,160,949
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,560,443	(1,310,844)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>827,647</u>	<u>2,138,491</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,388,090</u>	<u>\$ 827,647</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Noncash transactions:		
Contribution of food	<u>\$ 351,873</u>	<u>\$ 272,732</u>
Distribution of food	<u>\$ 1,022,399</u>	<u>\$ 910,789</u>
Cash paid for interest expense	<u>\$ 31,546</u>	<u>\$ 7,951</u>

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

## TABLE MINISTRIES, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Years Ending August 31, 2023 and 2022

	<b>2023</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Totals</b>
Food distribution	\$ 1,022,399	\$ -	\$ -	\$ 1,022,399
Salaries and benefits	272,126	51,188	108,743	432,057
Occupancy	91,694	6,515	6,515	104,724
Development	8,351	-	95,430	103,781
Information technology	29,341	17,609	8,003	54,953
Office supplies	12,799	3,394	30,904	47,097
Professional fees	-	42,239	-	42,239
Depreciation	21,571	2,697	2,697	26,965
Insurance	12,325	3,055	1,035	16,415
Miscellaneous	1,584	166	443	2,193
Meetings	-	460	-	460
Total expenses	<u>\$ 1,472,190</u>	<u>\$ 127,323</u>	<u>\$ 253,770</u>	<u>\$ 1,853,283</u>
	<b>2022</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Totals</b>
Food distribution	\$ 910,789	\$ -	\$ -	\$ 910,789
Salaries and benefits	216,537	46,644	50,508	313,689
Occupancy	48,027	2,759	2,699	53,485
Development	3,728	-	42,614	46,342
Information technology	17,366	15,182	4,736	37,284
Office supplies	11,634	3,353	24,295	39,282
Professional fees	-	42,099	-	42,099
Depreciation	4,981	1,660	1,660	8,301
Insurance	7,085	3,529	656	11,270
Miscellaneous	2,437	247	309	2,993
Meetings	-	-	-	-
Total expenses	<u>\$ 1,222,584</u>	<u>\$ 115,473</u>	<u>\$ 127,477</u>	<u>\$ 1,465,534</u>

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

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

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**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 support with donor restrictions 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

**B. Cash and Cash Equivalents.**

Cash and cash 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. Investments.**

Investments in marketable securities are stated at fair value based on readily available published fair values. Donated securities are recorded at fair value at the date of the gift. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized gains and losses, less external investment expenses.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## D. Promises to Give.

Unconditional promises to give that are expected to be collected within one year, are recorded at net realizable value and are recognized as support and assets in the period received. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities and changes in net assets. The Organization provides an allowance for doubtful accounts equal to the estimated losses that are expected to be incurred in collection. The estimation is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. As of August 31, 2023 and 2022, all promises to give were deemed collectible by management.

## E. Inventory.

Inventory consists of food donated or purchased for distribution to children, and the value is recorded at a standard rate per pound. The Organization does not have an allowance for inventory obsolescence.

## F. Property and Equipment.

Property and equipment are stated at cost and 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, which range from 3 to 39 years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities and changes in net assets. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred.

## G. Revenue Recognition.

Revenue from contracts which are deemed to be exchange transactions are recognized as revenue without donor restrictions as performance obligations are completed either over time or at a point in time. Deferred revenue from exchange transactions results when cash receipts exceed revenue recognized. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Revenue from grants which are deemed to be unconditional contributions are recognized when the grantor makes a promise to give to the Organization. Contributions that are restricted by the grantor are reported as increases in net assets with donor restrictions. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## H. Net Assets.

Net assets, support and revenue, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor or grantor restrictions.

*With Donor Restrictions* – Net assets subject to donor or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

## I. Contributions of Nonfinancial Assets.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would otherwise be purchased by the Organization.

The Organization records in-kind contributions of inventory (food) at its fair value at the date of the donation. Fair value is estimated using the average price per pound as determined by the Food Bank of Central and Eastern North Carolina (a local food bank). The donated food is utilized by the Organization's programs 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 \$351,873 and \$272,732, for the years ended August 31, 2023 and 2022, respectively. There are no donor-imposed restrictions associated with the donated food.

The Organization receives a substantial amount of services donated by volunteers interested in the Organization's programs. The Organization receives approximately 6,300 volunteer hours donated by approximately 500 volunteers interested in the Organization's programs. In addition, the Organization's officers and board of directors serve without compensation. No amounts have been reflected in the financial statements for volunteer hours since these services do not meet the requirements for recognition in the financial statements.

## J. Estimates.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences can be material.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## K. Income Tax Status.

The Organization is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and is classified as other than a private foundation under Section 509(a)(2). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. If applicable, the Organization reports interest and penalties related to unrecognized tax positions as interest expense under management and general expenses.

## L. Leases.

The Organization determines if an arrangement is a lease at inception and reassesses if there are changes in terms and conditions of the contract. Operating leases are included in right-of-use assets operating leases, and operating lease liabilities on the statements of financial position. Lease assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Organization's leases do not provide an implicit rate, the Organization uses its incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. Lease assets also include any lease payments made before lease commencement and initial direct costs and reduced for any lease incentives. In determining the lease term at lease commencement, the Organization includes the noncancellable term and the periods which the Organization deems it is reasonably certain to exercise or not to exercise a renewal or cancellation option. Operating lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

## M. Consideration of Future Accounting Principle Changes.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments – Credit Losses*. The standard requires credit impairment to be recognized as an allowance for credit losses, rather than as a direct write-down of the financial asset. This standard will be effective for the year ending August 31, 2024. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## N. New Accounting Principle.

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. The new standard was effective September 1, 2022. The Organization adopted this ASU using the effective date transition method. The Organization elected the following practical expedients upon transition: 1) no need to reassess whether any expired or existing contracts are or contain leases, 2) no need to reassess the lease classification for any expired or existing leases, and 3) no need to reassess initial direct costs for any existing leases.

**LIQUIDITY AND AVAILABILITY**

The following represents the Organization’s financial assets at August 31:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 2,388,090	\$ 827,647
Promises to give	654,155	428,987
Grants receivable	164,093	61,433
Accounts receivable	1,600	-
Total liquid assets	<u>3,207,938</u>	<u>1,318,067</u>
Less amounts unavailable for general expenditures within one year, due to:		
Restrictions by donor for time or purpose	<u>(2,242,346)</u>	<u>(490,420)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 965,592</u>	<u>\$ 827,647</u>

The Organization’s programs are supported both by contributions with and without donor restrictions. Donors include individuals, corporations, and foundations. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management believes the resources available are sufficient for general expenditures due within one year.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**PROMISES TO GIVE**

Unconditional promises to give are recognized as support in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. The present value discount was immaterial for the Organization. Promises to give are detailed in the following schedule:

	August 31,	
	2023	2022
Receivable in less than one year	818,248	\$ 203,987
Receivable in one to five years	164,000	225,000
Total gross promises to give	<u>\$ 982,248</u>	<u>\$ 428,987</u>

**NET ASSETS**

Net assets with donor restriction at August 31, 2023 and 2022, are restricted as follows:

	2023	2022
Building and expanding programs	\$ 2,142,346	\$ 490,420
Time	100,000	-
Total net assets with donor restrictions	<u>\$ 2,242,346</u>	<u>\$ 490,420</u>
	<u>\$ 2,242,346</u>	<u>\$ 490,420</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. The amounts released during the years ended August 31, 2023 and 2022, were \$254,637 and \$712,463, respectively.

**LEASES**

The Organization is obligated under a lease for office space on a month-to-month agreement for \$3,000 per month. Rent expense under the office space lease agreement totaled \$36,000 for the years ended August 31, 2023 and 2022, and is included in occupancy on the statements of functional expenses. The Organization leases office equipment under a long-term non-cancelable operating lease agreement. The lease expires in 2024. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The operating lease agreement requires payment of taxes, insurance, and repairs. Operating lease costs totaled \$3,615 for each year ended August 31, 2023 and 2022.

As of August 31, 2023, the Organization's operating leases had a weighted average remaining lease term of 10 months, and a weighted average discount rate of 5%. Future minimum lease payments are \$3,012 in 2024.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**LEASES (CONTINUED)**

The Organization leases a portion of their building space to tenants under a noncancelable operating lease. The agreement commenced in November 2022 and expires in September 2023. This agreement has a monthly rate of \$1,600. Rental income totaled \$15,467 for the year ended August 31, 2023. Future minimum rental income under the lease agreement is \$533, due to the lease terminating in September 2023.

**NOTE PAYABLE**

During 2022, the Organization entered into a mortgage note payable to a bank for the purchase of a building totaling \$1,160,949. The first 18 months are interest only payments at a rate of 2.68%. The note is payable in monthly installments of \$10,261 starting in December 2023, including interest of 2.68%. The note is secured by the building and is due May 2027. Principal maturities of long-term debt are as follows:

<u>Year Ended August 31,</u>	<u>Amount</u>
2024	\$ 69,630
2025	95,042
2026	97,621
2027	<u>898,656</u>
Total minimum principal payments	<u>\$ 1,160,949</u>

**FUNCTIONAL ALLOCATION OF EXPENSES**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Many expenses are directly assigned to the appropriate function as they are incurred. Certain costs have been allocated among the programs and supporting services benefited based on management's estimates. The expenses that are allocated include occupancy, insurance, office supplies, information technology, miscellaneous, and depreciation, which are allocated on the basis of estimates from a historical review of the purposes of the expense category, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

**REVENUE FROM CONTRACTS WITH CUSTOMERS***Performance Obligations*

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Organization's contracts have obligations that are fulfilled at a point in time.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)***Performance Obligations Satisfied at a Point in Time*

The Organization receives revenue from special event related activities, such as event tickets and meals, for which the revenue is earned at the point in time of the event, or similar circumstances. At that point in time, the Organization has fulfilled their performance obligation. The Organization believes recognition at that point in time is appropriate for this type of revenue. However, if any funds are ever received prior to the Organization fulfilling the performance obligation, they would be deferred until the future period in which they are earned.

Total revenue recognized for performance obligations completed at a point in time at August 31, 2023 and 2022, totaled \$29,588, and \$16,100, respectively. The amounts consist of special events' tickets. There is no deferred revenue related to these contracts at August 31, 2023, nor is there any deferred revenue from the prior year included in current year revenue. There were no receivables related to these contracts for the years ending August 31, 2023 and 2022.

*General*

Revenue earned will vary depending on the economy. Revenue from special events will vary depending on how many attend and participate in events and training sessions. Additionally, some of the Organization's events rely on in-person attendance, and operation is dependent on the availability of space.

**CONCENTRATIONS**

There were four donors that comprised 92% of the Organization's outstanding promises to give for the year ending August 31, 2023. Two donors comprised 47% of the Organization's outstanding promises to give for the year ended August 31, 2022.

**RETIREMENT PLAN**

The Organization has a SIMPLE IRA retirement plan organized under section 408(p) of the Internal Revenue Code. Under this plan, all employees are eligible. The Organization will make a matching contribution to each employee's account equal to the employee's contributions up to a limit of 3% of the employee's compensation, subject to limitations established under the Internal Revenue Code. The Organization's expense under this plan for the years ending August 31, 2023 and 2022 was \$7,561 and \$6,922, respectively.

**SUBSEQUENT EVENTS**

The Organization signed an agreement with Vision Contractors Incorporated for renovations to the new location in the amount of \$342,000.

Management has evaluated subsequent events for recognition or disclosure through February 14, 2024, which is the date that the financial statements were available to be issued, and determined there were no additional events that require disclosure.