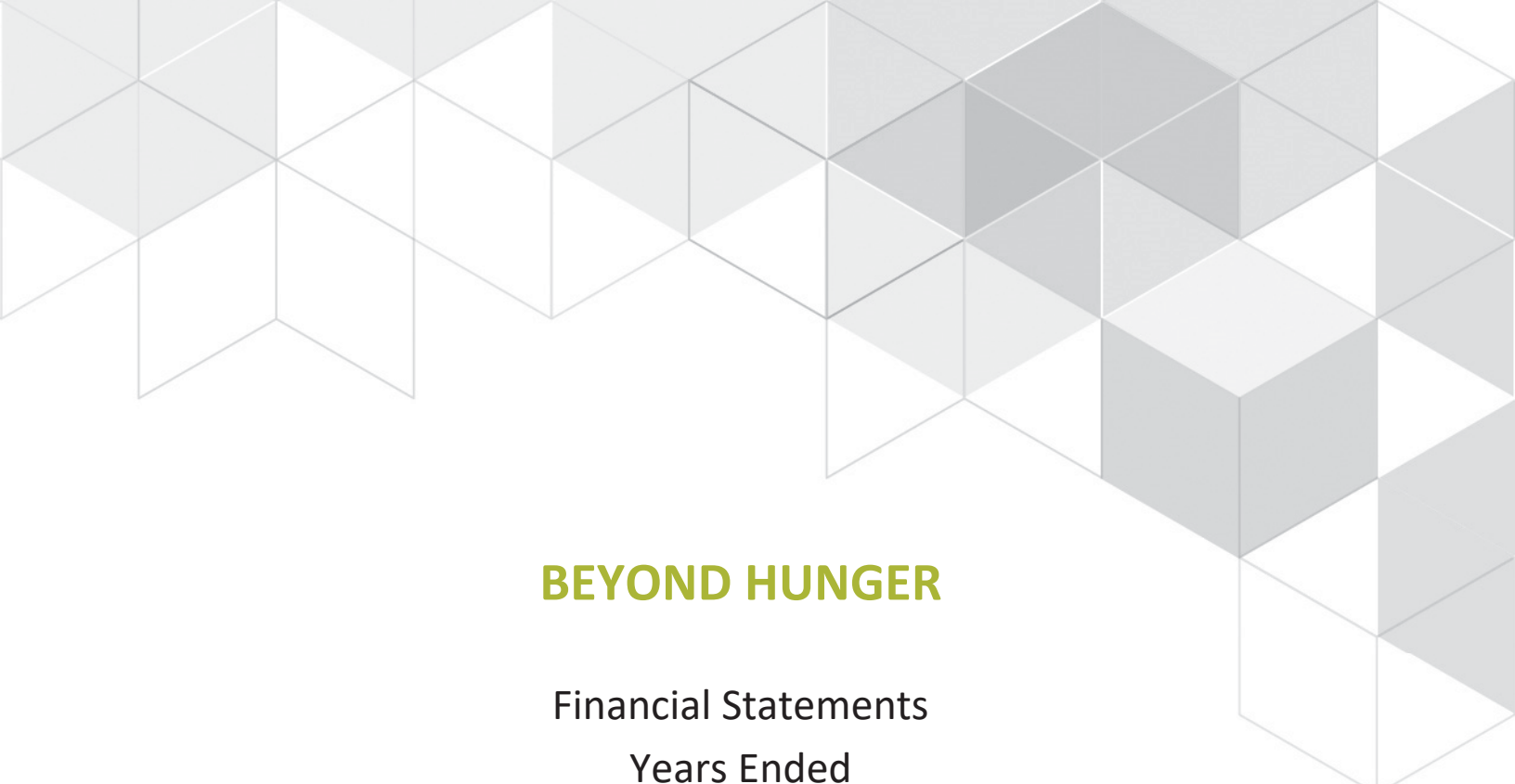




BEYOND HUNGER

Financial Statements
Years Ended
June 30, 2021 and 2020



Sassetti

CERTIFIED PUBLIC ACCOUNTANTS



BEYOND HUNGER
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

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To the Board of Directors
Beyond Hunger
Oak Park, Illinois

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Beyond Hunger (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beyond Hunger as of June 30, 2021 and 2020, 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.

Sassetti LLC

Oak Park, Illinois
December 7, 2021

BEYOND HUNGER
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS	2021	2020
Cash and cash equivalents	\$ 2,164,151	\$ 1,568,999
Certificate of deposit	450,271	-
Grants receivable	26,824	-
Prepaid expenses	26,460	11,257
Property and equipment	84,521	30,715
Total Assets	<u>\$ 2,752,227</u>	<u>\$ 1,610,971</u>
LIABILITIES		
Accounts payable	\$ 4,984	\$ 21,612
Accrued payroll	45,549	32,242
Total Liabilities	<u>50,533</u>	<u>53,854</u>
NET ASSETS		
Net assets without donor restrictions		
Board designated	501,647	401,647
Undesignated	2,168,420	1,045,770
Total net assets without donor restrictions	2,670,067	1,447,417
Net assets with donor restrictions	31,627	109,700
Total Net Assets	<u>2,701,694</u>	<u>1,557,117</u>
Total Liabilities and Net Assets	<u>\$ 2,752,227</u>	<u>\$ 1,610,971</u>

The accompanying notes are an integral part of the financial statements.

BEYOND HUNGER
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
REVENUES AND OTHER SUPPORT						
Contributions - individuals	\$ 1,207,977	\$ -	\$ 1,207,977	\$ 1,060,083	\$ -	\$ 1,060,083
Contributions - congregations	38,997	-	38,997	36,505	-	36,505
Contributions - businesses	131,044	-	131,044	104,988	-	104,988
Grants - governmental	103,525	-	103,525	12,526	-	12,526
Grants - foundations and organizations	767,130	203,300	970,430	404,987	192,848	597,835
GCFD credits	-	-	-	10,981	-	10,981
In-kind support	1,890,403	-	1,890,403	1,071,978	-	1,071,978
Special events	94,781	-	94,781	192,610	-	192,610
Interest income	4,393	-	4,393	2,071	-	2,071
Other revenue	-	-	-	271	-	271
Net assets released from restrictions	281,373	(281,373)	-	130,448	(130,448)	-
Total Revenues and Support	4,519,623	(78,073)	4,441,550	3,027,448	62,400	3,089,848
EXPENSES						
Program services	2,966,752	-	2,966,752	2,005,388	-	2,005,388
Support services:						
Management and general	141,076	-	141,076	115,727	-	115,727
Fundraising	189,145	-	189,145	219,599	-	219,599
Total Expenses	3,296,973	-	3,296,973	2,340,714	-	2,340,714
CHANGE IN NET ASSETS	1,222,650	(78,073)	1,144,577	686,734	62,400	749,134
NET ASSETS						
Beginning of year	1,447,417	109,700	1,557,117	760,683	47,300	807,983
End of year	\$ 2,670,067	\$ 31,627	\$ 2,701,694	\$ 1,447,417	\$ 109,700	\$ 1,557,117

The accompanying notes are an integral part of the financial statements.

BEYOND HUNGER
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30 , 2021 AND 2020

	2021				2020			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and taxes	\$ 569,903	\$ 108,551	\$ 105,413	\$ 783,867	\$ 461,465	\$ 87,896	\$ 85,355	\$ 634,716
Client services	752	-	-	752	2,124	-	-	2,124
Contracted services	58,740	5,397	4,996	69,133	48,863	4,489	4,156	57,508
Depreciation	8,195	1,561	1,516	11,272	6,464	1,231	1,196	8,891
Donated food	1,843,603	-	-	1,843,603	1,061,678	-	-	1,061,678
Donated goods and services	46,800	-	-	46,800	10,300	-	-	10,300
Dues	29,482	4,613	10,758	44,853	25,671	4,017	9,368	39,056
Facilities and equipment	88,875	12,841	9,215	110,931	65,742	9,499	6,816	82,057
Food and hygiene products	188,887	-	-	188,887	221,158	-	-	221,158
Fundraising events and development	1,650	690	38,614	40,954	3,569	1,492	83,505	88,566
Insurance	8,471	1,742	1,378	11,591	8,822	1,815	1,436	12,073
Miscellaneous	1,408	143	1,304	2,855	16,240	1,650	15,018	32,908
Postage	3,749	350	3,127	7,226	5,471	511	4,563	10,545
Printing	18,961	1,871	5,708	26,540	16,045	1,583	4,830	22,458
Supplies	56,654	3,312	6,844	66,810	26,365	1,541	3,185	31,091
Service learners	32,405	-	269	32,674	20,333	-	169	20,502
Transportation	5,180	5	3	5,188	2,910	3	2	2,915
Volunteer costs	3,037	-	-	3,037	2,168	-	-	2,168
	<u>\$ 2,966,752</u>	<u>\$ 141,076</u>	<u>\$ 189,145</u>	<u>\$ 3,296,973</u>	<u>\$ 2,005,388</u>	<u>\$ 115,727</u>	<u>\$ 219,599</u>	<u>\$ 2,340,714</u>

The accompanying notes are an integral part of the financial statements.

BEYOND HUNGER
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

CASH FLOWS FROM OPERATING ACTIVITIES	2021	2020
Change in net assets	\$ 1,144,577	\$ 749,134
Adjustments to reconcile to net cash provided by operating activities -		
Depreciation	11,272	8,891
(Increase) decrease in operating assets		
Certificate of deposit	(450,271)	-
Grants receivable	(26,824)	10,000
Prepaid expenses	(15,203)	(1,797)
Increase (decrease) in operating liabilities		
Accounts payable	(16,628)	453
Accrued liabilities	13,307	11,255
Net Cash Provided by Operating Activities	<u>660,230</u>	<u>777,936</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	<u>(65,078)</u>	<u>-</u>
Net Cash Used in Investing Activities	<u>(65,078)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	595,152	777,936
CASH AND CASH EQUIVALENTS -		
Beginning of year	<u>1,568,999</u>	<u>791,063</u>
End of year	<u><u>\$ 2,164,151</u></u>	<u><u>\$ 1,568,999</u></u>

The accompanying notes are an integral part of the financial statements.

BEYOND HUNGER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization – Beyond Hunger (the "Organization") was founded in 1978 to provide direct hunger relief services and harness the power of communities to end hunger through collective impact. The Organization serves the Oak Park area and neighboring communities.

The Organization was formerly incorporated as the "Oak Park River Forest Food Pantry" and officially changed its name to Beyond Hunger effective January 2019.

Basis of Presentation - The Organization follows generally accepted accounting principles for not-for-profits. These principles require the Organization to 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.

Basis of Accounting - The Organization prepares the financial statements using the accrual method of accounting.

Statement of Cash Flows - The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents. No cash was paid for income taxes or interest during the years ended June 30, 2021 and 2020.

Property and Equipment - All acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of the donation. Depreciation is computed using primarily the straight-line method. Estimated useful lives used are five years for furniture and equipment and ten years for leasehold improvements.

Property and equipment consisted of the following at June 30:

	2021	2020
Furniture and fixtures	\$ 7,879	\$ 5,879
Machinery and equipment	76,530	18,437
Leasehold improvements	87,713	82,728
Web site	11,626	11,626
Less accumulated depreciation	<u>(99,227)</u>	<u>(87,955)</u>
	<u>\$ 84,521</u>	<u>\$ 30,715</u>

Depreciation expense was \$11,272 and \$8,891, for the years ended June 30, 2021 and 2020, respectively.

BEYOND HUNGER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

Donated Services and Rent - The Organization received donated services of professional, technical and counselor services estimated at \$46,800 and \$10,300, during the years ended June 30, 2021 and 2020, respectively.

Donated Food - The Organization received donated food from the Greater Chicago Food Depository, local groceries, and individuals estimated at \$1,843,603 and \$1,061,678, during the years ended June 30, 2021 and 2020, respectively. The estimate is based on industry standard rates for donated food.

Expense Allocation - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes - The Organization is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. The letter of determination was issued in 2010. The Organization's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the IRS and the corresponding State, generally for three years after they were filed.

Grants Receivable - Grants receivable are stated at amounts due from donors, net of allowances for uncollectible amounts. The Organization determines its allowance by considering a number of factors, including the length of time accounts receivable are past due, the Organization's previous collection history, the donor's current ability to pay its obligation to the Organization, and the condition of the general economy as a whole. The Organization writes off accounts receivable when they become uncollectible. No allowance for doubtful accounts was deemed necessary by management at June 30, 2021 and 2020.

Change In Accounting Principle - In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). Topic 606 supersedes the revenue recognition requirements in Topic 605, Revenue Recognition, and requires the reporting entity to recognize revenues when control of promised goods or services is transferred to customers and at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

BEYOND HUNGER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

This standard was adopted by the Organization effective July 1, 2020. There were no material changes in the timing of recognition of revenue and therefore there was no adjustment to the opening balance of net assets without donor restrictions.

Cloud Implementation Costs – The Organization’s policy is to expense costs related to the implementation of their cloud sales system as they are incurred.

Subsequent Events - The Organization has evaluated subsequent events through December 7, 2021, the date the financial statements were available to be issued.

2. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following purposes at June 30:

	2021	2020
Event	\$ 25,000	\$ 25,000
Summer meals	1,627	2,200
Home delivered meals	-	10,000
Time restricted grants	5,000	72,500
	<u>\$ 31,627</u>	<u>\$ 109,700</u>

3. BOARD DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTION

Board designated unrestricted net assets consist of \$501,647 and \$401,647, as of June 30, 2021 and 2020, respectively. These funds have been selected by the Organization’s board of directors to be used for future occupancy costs and strategic projects.

4. CONCENTRATION OF CREDIT RISK

The Organization maintains deposits in a financial institution that at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

5. OPERATING LEASE

Beginning July 1, 2017, the First United Church of Oak Park agreed to a space sharing agreement that allows the Organization to occupy additional space within the church at a rate of \$630 per month. The lease agreement is month to month and the lease payments have been included in rent expense. Rent expense on this location totaled \$7,560 for the years ended June 30, 2021 and 2020, respectively.

BEYOND HUNGER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

Beginning January 1, 2021, the Organization entered into an agreement with New Moms Housing Development, LLC to lease a portion of the property designated as food pantry. The lease agreement is for the period covering January 1, 2021 through December 31, 2023 with lease payments increasing at the beginning of each calendar year. Monthly lease payments are \$2,150, \$2,700, and \$2,835 for the years ending 2021, 2022, and 2023, respectively. Rent Expense on this location totaled \$11,824 for the year ending June 30, 2021.

Future minimum payments for the years ending June 30:

2022	\$ 16,200
2023	33,210
2024	<u>17,010</u>
	<u>\$ 66,420</u>

6. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The organization has various sources of liquidity at its disposal, including cash and cash equivalents. The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and obligations become due.

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$2,164,151	\$1,568,999
Certificate of deposit	450,271	-
Grants Receivable	<u>26,824</u>	<u>-</u>
Total financial assets available within one year	<u>2,190,975</u>	<u>1,568,999</u>
Amounts unavailable to management without Board approval		
Board designated funds	<u>(501,647)</u>	<u>(401,647)</u>
Total financial assets available to management for general expenditure within one year	<u>\$1,689,328</u>	<u>\$1,167,352</u>

