

**WILKINSBURG
COMMUNITY MINISTRY**

**FINANCIAL REPORT (REVIEWED)
YEAR ENDED JUNE 30, 2009**

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CARL N. HOCKENBERRY
CERTIFIED PUBLIC ACCOUNTANT

ACCOUNTANT'S REPORT

To the Board of Directors of
Wilksburg Community Ministry

I have reviewed the accompanying statement of cash receipts and disbursements (with functional information) of **Wilksburg Community Ministry** (a nonprofit organization) for the year ended June 30, 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in this financial statement is the representation of the management of Wilksburg Community Ministry.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in conformity with the cash basis of accounting, as described in Note 1.

My review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statement in order for it to be in conformity with the cash basis of accounting, as described in Note 1. Information under the financial statement columns labeled "functional information," with the exception of the portion thereof that includes cash disbursements, is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statement. This information is presented on the cash basis of accounting, and I am not aware of any material modifications that should be made thereto.

Carl N. Hockenberry, C.P.A.

August 28, 2009

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WILKINSBURG COMMUNITY MINISTRY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (WITH FUNCTIONAL INFORMATION)
Year Ended June 30, 2009

	Functional Information							
	Program Services				Supporting Services and Other			
	TOTAL	Meals on Wheels	Children's Meal Partnership	Angel Food Ministries	Urban Survival	Other Receipts and Management and General Disbursements	Loans	Fundraising
CASH RECEIVED FROM								
Program services								
Meals on Wheels	\$ 65,245	\$ 65,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Children's Meal Partnership	33,653	-	33,653	-	-	-	-	-
Angel Food Ministries	16,228	-	-	16,228	-	-	-	-
Urban Survival	2,058	-	-	-	2,058	-	-	-
Total program services	117,184	65,245	33,653	16,228	2,058	-	-	-
Contributions, gifts, and grants	112,140	-	12,583	-	-	99,557	-	-
Overdraft line of credit	32,209	-	-	-	-	-	32,209	-
Loans from officers	12,700	-	-	-	-	-	12,700	-
Fundraising events	2,184	-	-	-	-	-	-	2,184
Insurance refund	1,158	-	-	-	-	1,158	-	-
TOTAL CASH RECEIVED	277,575	65,245	46,236	16,228	2,058	100,715	44,909	2,184
CASH DISBURSED FOR								
Salaries and wages	92,135	16,678	17,597	4,716	20,841	27,526	-	4,777
Payroll taxes and worker's compensation insurance	8,360	1,513	1,597	428	1,891	2,498	-	433
Food preparation service	55,759	55,759	-	-	-	-	-	-
Food and other program supplies	40,994	-	21,344	15,461	4,189	-	-	-
Repayments on overdraft line of credit	32,209	-	-	-	-	-	32,209	-
Occupancy expenses	23,786	4,757	-	-	7,929	11,100	-	-
Repayments on loans from officers	6,200	-	-	-	-	-	6,200	-
Insurance	5,497	-	-	-	-	5,497	-	-
Office supplies and expenses	2,880	-	-	-	-	2,880	-	-
Equipment maintenance and repair	2,346	-	-	-	-	2,346	-	-
Van expenses	1,699	-	-	-	-	1,699	-	-
Bank fees, interest expense, and payroll service fees	1,578	-	-	-	-	1,578	-	-
Miscellaneous expenses	3,162	1,988	-	-	-	253	-	921
TOTAL CASH DISBURSED	276,605	80,695	40,538	20,605	34,850	55,377	38,409	6,131
EXCESS (DEFICIENCY) OF CASH RECEIPTS OVER CASH DISBURSEMENTS	970	\$ (15,450)	\$ 5,698	\$ (4,377)	\$ (32,792)	\$ 45,338	\$ 6,500	\$ (3,947)
CASH, beginning of year	3,282							
CASH, end of year	\$ 4,252							

See accompanying notes and accountant's report.

**WILKINSBURG COMMUNITY MINISTRY
NOTES TO FINANCIAL STATEMENT
See Accountant's Report**

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization: Wilkinsburg Community Ministry (WCM) was organized to:

- Provide an effective and meaningful community ministry to all the families and individuals residing in the borough of Wilkinsburg, Pennsylvania, and to all of the members of the churches supporting WCM;
- Place emphasis upon extending the ministry of the churches within the Wilkinsburg area to all people, with the primary concern being to mediate the saving grace of God as revealed in Jesus Christ to all people; and
- Act as the agent of the member churches in this area to develop and engage in outreach programs and activities aimed at meeting the physical, social, economic and spiritual needs of all people in the community.

WCM operates the following programs:

- Meals on Wheels. Volunteers and employees of WCM deliver meals, which WCM has had prepared, to the elderly and disabled.
- Children's Meals Partnership. WCM has partnered with several local agencies to provide meals to children in after-school, summer, and developmental health programs.
- Angel Food Ministries. WCM acts as a Host Site where all people may purchase food at substantial discounts compared to prices charged by grocery stores.
- Urban Survival. WCM provides a food pantry for qualified, needy individuals and families, free bread each Wednesday to those who need bread, and provides food bags, including turkeys, to needy families and individuals at Thanksgiving and Christmas. WCM accepts donations of clothing and furniture and distributes them to people on an as-needed basis. In addition, WCM provides assistance with relief applications for individuals and families who cannot afford their heating or water bills.

Basis of Accounting: WCM prepares its financial statement on the cash basis of accounting; consequently, contributions and other revenues are recognized when received rather than when promised or earned, and expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. The statement of cash receipts and disbursements (with functional information) also includes loan proceeds, loan repayments, and refunds.

NOTES TO FINANCIAL STATEMENT
See Accountant's Report

Note 1. Nature of Organization and Summary of Significant Accounting Policies
(Continued)

Use of Estimates and Functional Allocation of Expenses: Management uses estimates and assumptions in preparing the financial statement. Those estimates and assumptions affect the functional allocations of cash receipts and disbursements. Actual results could differ from these estimates.

Functional information about cash disbursements for providing various programs and supporting services is shown on the statement of cash receipts and disbursements (with functional information). Accordingly, certain cash disbursements are allocated among the programs and supporting services benefited.

Functional Information on Statement of Cash Receipts and Disbursements: Columnar information under the column heading "Functional Information" on the statement of cash receipts and disbursements (with functional information), with the exception of the matrix of cash disbursements by natural classification and by function, is considered supplemental information.

Contributions: WCM considers as unrestricted all contributions and grants received in which time or purpose restrictions are satisfied within the same reporting period. WCM has no temporarily and no permanently restricted assets as of June 30, 2009 and 2008.

Cash: Cash consists of unrestricted amounts in two checking accounts with one financial institution.

Donated Services: WCM receives a substantial amount of volunteer support. WCM's Meals on Wheels (MOW) program operates four delivery routes Monday through Friday, which each route requiring a driver and a delivery person. Accordingly, the MOW program uses approximately 40 volunteers per week to deliver meals. WCM's directors serve on a volunteer basis. Individuals also provide volunteer support for other WCM programs and supporting services.

Donated Property and Equipment: WCM's property and equipment consists of a 1997 delivery van and donated used office furniture and equipment. Management believes the fair value of these assets to be immaterial. As donations of property and equipment do not result in a cash transaction, any such donations are not included on the statement of cash receipts and disbursements (with functional information).

NOTES TO FINANCIAL STATEMENT
See Accountant's Report

Note 1. Nature of Organization and Summary of Significant Accounting Policies
(Continued)

Subsequent Events: Management has evaluated events subsequent to June 30, 2009, through August 28, 2009, the date the financial statements were available to be issued.

Note 2. Related Party Gifts

WCM received approximately \$55,000 in gifts from member churches for the year ended June 30, 2009.

Note 3. Loans from Officers

Two officers on WCM's board of directors have made working capital loans to WCM. The loans are non-interest bearing, uncollateralized, and have no specific repayment terms. Combined, these two officers reclassified portions of their loans amounting to \$2,700 as contributions to WCM for the year ended June 30, 2009. These reclassifications are not shown on the statement of cash receipts and disbursements (with functional information) as cash receipts for contributions nor disbursements for repayments on loans from officers because reclassifications do not involve the receipt or disbursement of cash.

Balances outstanding as of June 30, 2009, are as follows:

Officer #1	\$27,500
Officer #2	<u>6,000</u>
Total	<u>\$33,500</u>

Note 4. Operating Leases

WCM leases office and storage space under an operating lease which commenced March 1, 2008, and expires March 1, 2010. The lease contains a renewal option in which the lease payments and lease term are to be negotiated. WCM also leases a copier under an operating lease through September 28, 2012. Total lease expense included in the statement of cash receipts and disbursements (with functional information) for the year ended June 30, 2009, is \$17,646.

NOTES TO FINANCIAL STATEMENT
See Accountant's Report

Note 4. Operating Leases (Continued)

Future minimum lease payments on noncancelable operating leases with initial or remaining terms in excess of one year are as follows:

<u>June 30,</u>	
2010	\$12,540
2011	2,340
2012	<u>585</u>
Total	<u>\$15,465</u>

Note 5. Overdraft Line of Credit

WCM has an overdraft line of credit with its bank. The bank will cover overdrafts up to \$5,000. The line is automatically repaid with subsequent deposits into WCM's operating checking account. The line is uncollateralized with interest charged at an annual rate of 15.49% at June 30, 2009. The line is renewable annually each August 3. There were no amounts outstanding under this line as of June 30, 2009.

Note 6. Income Taxes

WCM is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.