

SANTA CLARITA VALLEY FOOD PANTRY
FINANCIAL STATEMENTS
DECEMBER 31, 2024

STERN, KORY, SREDEN & MORGAN
An Accountancy Corporation
24961 The Old Road, 2nd Floor
Stevenson Ranch, CA 91381
Tel. (661) 286-1040
Fax (661) 286-1050



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Santa Clarita Valley Food Pantry
Santa Clarita, California

Opinion

We have audited the accompanying financial statements of Santa Clarita Valley Food Pantry (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statement of activities, functional expenses and cash flows, for the year 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 Santa Clarita Valley Food Pantry as of December 31, 2024, 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 Santa Clarita Valley Food Pantry 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 Santa Clarita Valley Food Pantry's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

To the Board of Directors

Auditor's Responsibilities for the Audit of the Financial Statements

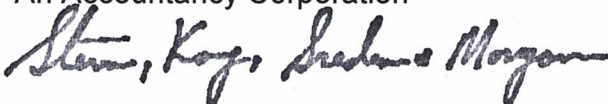
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance 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 Santa Clarita Valley Food Pantry's internal control. Accordingly,
- 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 Santa Clarita Valley Food Pantry'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.

STERN, KORY, SREDEN & MORGAN
An Accountancy Corporation



Stevenson Ranch, California
November 25, 2025

SANTA CLARITA VALLEY FOOD PANTRY
Table of Contents

	Page
Independent Auditors' Report	1
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7

**SANTA CLARITA VALLEY FOOD PANTRY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

ASSETS

CURRENT ASSETS

Cash in bank	\$ 1,239,710
Certificate of deposits	121,169
Inventory	52,552
Prepaid expenses	11,578

Total Current Assets 1,425,009

EQUIPMENT, NET

1,034,883

TOTAL ASSETS

\$ 2,459,892

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll liabilities	\$ 9,711
Credit card	6,510
Deferred revenue	90,000

Total Current Liabilities 106,221

NET ASSETS - WITHOUT DONOR RESTRICTIONS

2,353,671

TOTAL LIABILITIES AND NET ASSETS

\$ 2,459,892

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITORS' REPORT

**SANTA CLARITA VALLEY FOOD PANTRY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Amount	%
CHANGES IN NET ASSETS WITHOUT - DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Contributions and Grants		
Cash donations	\$ 344,845	22.3
In-kind donations	1,167,604	75.3
Grants	18,500	1.2
Interest income	18,984	1.2
Total Unrestricted Support and Revenue	1,549,933	100.0
EXPENSES		
Operating Expenses		
Program Services	1,360,984	87.8
Support Services	231,454	14.9
Fundraising	68,473	4.4
Total Operating Expenses	1,660,911	107.1
DECREASE IN NET ASSETS - WITHOUT DONOR RESTRICTIONS	(110,978)	(7.1)
NET ASSETS - WITHOUT DONOR RESTRICTIONS		
- AT BEGINNING OF YEAR	2,464,649	
NET ASSETS - WITHOUT DONOR RESTRICTIONS		
- AT END OF YEAR	\$ 2,353,671	

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITORS' REPORT

**SANTA CLARITA VALLEY FOOD PANTRY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Total Program Services	Total Support Services	Total Fundraising Services	Total Expenses
Operating Expenses				
Donated goods	\$ 1,108,707	\$ -	\$ -	\$ 1,108,707
Purchased food	11,338	-	-	11,338
Auto expenses	11,059	-	63	11,122
Bank charges	-	3,989	-	3,989
Building maintenance	15,085	6,932	-	22,017
Depreciation	15,619	5,049	-	20,668
Dues and subscriptions	1,855	700	1,887	4,442
Equipment rental and maintenance	10,958	1,578	-	12,536
Fundraising events	-	-	1,322	1,322
Insurance	18,583	3,471	-	22,054
Marketing	4,873	1,385	15,221	21,479
Office	1,964	18,814	1,597	22,375
Payroll taxes	9,286	7,107	3,783	20,176
Payroll processing fees	-	3,171	-	3,171
Personnel costs	2,604	322	-	2,926
Professional fees	-	59,332	-	59,332
Salaries	103,160	88,119	44,600	235,879
Supplies	7,189	231	-	7,420
Taxes and licenses	-	22,944	-	22,944
Utilities	37,297	2,170	-	39,467
Worker's compensation insurance	1,407	6,140	-	7,547
	<u>\$ 1,360,984</u>	<u>\$ 231,454</u>	<u>\$ 68,473</u>	<u>\$ 1,660,911</u>

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITORS' REPORT

**SANTA CLARITA VALLEY FOOD PANTRY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Net decrease in net assets	\$ (110,978)
Adjustments to reconcile net decrease in net assets to net cash used in operating activities:	
Depreciation	20,668
Decrease (increase) in assets -	
Inventory	(18,564)
Prepaid expenses	(6,572)
Increase (decrease) in liabilities -	
Payroll liabilities	4,221
Credit card	985
Deferred revenue	90,000

Net Cash Used In Operating Activities (20,240)

CASH FLOWS FROM INVESTING ACTIVITIES

Net increase in certificate of deposits	(316)
Purchase of equipment	(78,909)

Net Cash Used In Investing Activities (79,225)

Net Decrease In Cash and Cash Equivalents (99,465)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 1,339,175

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 1,239,710

**SUPPLEMENTARY INFORMATION FOR NONCASH
OPERATING ACTIVITIES:**

In-kind donation received and utilized	\$ 1,167,604
--	--------------

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITORS' REPORT

SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Santa Clarita Valley Food Pantry, (the Organization), is a community-based, California non-profit public corporation providing critical food assistance to individuals and families facing food insecurity throughout the Santa Clarita Valley, California. With over 120,000 client visits, the Organization averaged more than 10,000 engagements per month, reflecting the growing need for support in their community. The Organization is primarily supported by small community donations and in-kind and cash contributions from local businesses, distributors, retailers, growers and community donations. Cash donations are utilized to purchase additional food and other items to be distributed.

The Organization is committed to feeding their community with dignity and compassion. They serve a diverse population including:

- Seniors on fixed incomes who often face the difficult choice between purchasing food or medication.

- Working families whose wages do not cover basic living expenses.

- Students and minors within gthe community.

- Individuals who are injured, disabled, homeless, or unemployed, and those navigating uncertain life circumstances.

The Organization services are designed to meet immediate nutritional needs while fostering long-term stability. They operate from a central location in Newhall and also provide mobile outreach to underserved populations, including seniors and students at remote sites.

Basis of Presentation

The Organization utilizes the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The accounting policies of the Organization have been designed to conform to U.S. GAAP as applicable to not-for-profit organizations.

SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

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

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets that are subject to donor-imposed stipulations that will be met by actions of the donor, the Organization and/or the passage of time.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and disclosures 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.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Grants Receivable

The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts are deemed uncollectible, an allowance will be created when that determination is made. As of December 31, 2024, the Organization had no outstanding receivables.

**SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allowance for Credit Losses

Current expected credit loss ("CECL") requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and general applies to financial assets measured at amortized costs. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses.

Inventory

Inventory consists of donated food and household items. Donated items are valued at their estimated net realizable value, using national average prices for food.

Property and Equipment

Property and Equipment are reported at cost. The costs for additions and betterments are capitalized and expenditures for repairs and maintenance are expensed as incurred. Donations of property and equipment are recorded as contributions at estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in earnings in the period of disposition.

The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

Maintenance and repairs are expensed in the period incurred. The estimated useful lives of property and equipment are as follows:

The estimated useful lives of property and equipment are as follows:

Building and improvements	15 - 27.5 years
Furniture, fixtures, and equipment	5 - 15 years
Automobile	5 years

SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long-Lived Assets

The Organization assesses the impairment of its long-lived assets, including property and equipment, whenever economic events or changes in circumstances indicate that the carrying amounts of these assets may not be recoverable. Long-lived assets are considered to be impaired when the sum of the expected future operating cash flows, undiscounted and without interest charges, is less than the carrying amounts of the related assets. During the year 2024, the Organization determined that no impairment loss needed to be recognized for any applicable assets.

Donated Materials and Services

Donations of materials and supplies are recorded as contributions at their estimated fair value at the date of the donation. Donated services that create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased if not provided by donation, are recorded at fair values in the period received. The services of volunteers who may provide other services are not recognized as contributions in the financial statements since the recognition criteria are not met. For the year ended December 31, 2024, the Organization did not record any contributions related to services received.

Revenue Recognition

The Organization's revenues come primarily from cash and in-kind contributions and grants. Revenue is recognized when received.

The Organization recognizes contributions as revenue when cash, securities or other assets, an unconditional promise to give, or a modification of a beneficial interest is received. Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in restricted net assets depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Other contributions may have revocable features to the promises to give. Such conditional promises to give are recognized when the conditions are substantially met.

SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and Promises to Give

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases that net asset class. 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 as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Income Taxes

The Organization is a not-for-profit organization and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization that is not a private foundation. Accordingly, no provision for income tax is made in the financial statements. The 2022 through 2024 tax years remain subject to examination by the Internal Revenue Service. In addition, the 2021 through 2024 tax years remain subject to examination by the State of California.

Right-of-Use Assets and Lease Liabilities

Effective January 1, 2022, the Organization adopted FASB ASC 842, Leases. The new standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the statement of financial position for all leases with a term of longer than 12 months. Leases are classified as either finance or operating, with the classification affecting the pattern of expense recognized in the statement of activities. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payment will be recognized in the change in net assets on a straight-line basis over the lease term. As of December 31, 2024, the Organization does not have any existing operating or financing lease with terms in excess of twelve months.

**SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Values of Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

Cash, cash equivalents, short-term investments, and promises to give due in less than one year are reported at cost which approximates the fair market value.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Organization uses direct usage to allocate indirect costs.

Advertising Costs

It is the Organization's policy to charge advertising costs to operations when incurred.

NOTE 2 - CASH AND CASH EQUIVALENTS

Financial instruments which potentially subject the Organization to concentrations of credit risk includes cash deposits at commercial institutions. The Organization maintains bank accounts at two financial institutions, located within the Santa Clarita area, whose deposits of up to \$250,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2024, the Organization did not have deposits in excess of the federally insured limit.

NOTE 3 - PROPERTY AND EQUIPMENT

At December 31, 2024, property and equipment consisted of the following:

	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 832,570	\$ -	\$ 832,570
Building and improvements	116,469	75,212	41,257
Furniture, fixture and equipment	100,537	80,036	20,501
Automobile	165,387	128,053	37,334
Construction in progress	103,221	-	103,221
	<u>\$ 1,318,184</u>	<u>\$ 283,301</u>	<u>\$ 1,034,883</u>

Depreciation expense for the year ended December 31, 2024 was \$20,668.

**SANTA CLARITA VALLEY FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 - DEFERRED REVENUE

The Organization entered into a Temporary Right of Entry Agreement dated September 23, 2024, allowing SoCalGas to use a portion of the Organization's property for SoCalGas' project. The Organization was paid \$90,000 for the duration of 12 months. The start date of the project was postponed to April 1, 2025.

NOTE 5 - LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure within one year of December 31, 2024 are as follows:

Cash and cash equivalents	\$ 1,239,710
Certificate of deposits	121,169
Cash and cash equivalents available for general expenditures	<u>1,360,879</u>
Inventory	52,552
Prepaid expenses	11,578
Total financial assets	<u>1,425,009</u>
Amounts not available to be used within one year	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 1,425,009</u></u>

The Organization is substantially supported by cash, in-kind contributions and grants. The Organization reviews its liquidity on a monthly basis.

NOTE 6 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 25, 2025 the date on which the financial statements were available to be issued and concluded there are no subsequent events to report.