

**TABLE MINISTRIES, INC.**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024**



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## **INDEPENDENT AUDITOR'S REPORT**

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Board of Directors  
TABLE Ministries, Inc.

### ***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, 2025 and 2024, 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, 2025 and 2024, 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.

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

We conducted our audits 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 audits. 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.

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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.

*Balance + Strategy*

Chapel Hill, North Carolina  
February 10, 2025

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

**EXHIBIT A**

**August 31, 2025 and 2024**

	<u>ASSETS</u>	
	<u>2025</u>	<u>2024</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 682,019	\$ 381,048
Promises to give and grants receivable	344,350	655,499
Inventory	30,418	115,766
Prepaid expenses	388	2,550
Investments	2,926,416	2,659,134
Right of use asset - operating leases	20,909	25,412
Security deposit	2,235	2,235
Property and equipment, net	3,588,406	3,364,230
<b>TOTAL ASSETS</b>	<u>\$ 7,595,141</u>	<u>\$ 7,205,874</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 33,691	\$ 108,119
Accrued payroll liabilities	4,870	15,721
Operating lease liability	20,909	25,412
Note payable	986,389	1,081,396
<b>TOTAL LIABILITIES</b>	<u>1,045,859</u>	<u>1,230,648</u>
<b>NET ASSETS:</b>		
Without donor restrictions	5,189,310	3,935,494
With donor restrictions	1,359,972	2,039,732
<b>TOTAL NET ASSETS</b>	<u>6,549,282</u>	<u>5,975,226</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 7,595,141</u>	<u>\$ 7,205,874</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, 2025 and 2024

Page 1 of 2

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
<b>SUPPORT AND REVENUE:</b>				
Gifts and grants	\$ 843,947	\$ 935,964	\$ 1,779,911	\$ 1,573,684
Contribution of nonfinancial assets	305,704	-	305,704	455,510
Special events, net	802,595	-	802,595	709,246
Net investment return	151,769	-	151,769	102,597
Rental income	2,531	-	2,531	8,278
Other income	36,110	-	36,110	-
	<u>2,142,656</u>	<u>935,964</u>	<u>3,078,620</u>	<u>2,849,315</u>
Net assets released from restrictions	<u>1,615,724</u>	<u>(1,615,724)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>3,758,380</u>	<u>(679,760)</u>	<u>3,078,620</u>	<u>2,849,315</u>
<b>EXPENSES:</b>				
<b>PROGRAM:</b>				
Grants and related expenses	<u>2,092,243</u>	<u>-</u>	<u>2,092,243</u>	<u>1,708,963</u>
<b>SUPPORTING SERVICES:</b>				
Management and general	206,236	-	206,236	119,176
Fundraising	206,085	-	206,085	225,847
Total supporting services	<u>412,321</u>	<u>-</u>	<u>412,321</u>	<u>345,023</u>
<b>TOTAL EXPENSES</b>	<u>2,504,564</u>	<u>-</u>	<u>2,504,564</u>	<u>2,053,986</u>
<b>CHANGES IN NET ASSETS</b>	<u>1,253,816</u>	<u>(679,760)</u>	<u>574,056</u>	<u>795,329</u>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>3,935,494</u>	<u>2,039,732</u>	<u>5,975,226</u>	<u>5,179,897</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 5,189,310</u>	<u>\$ 1,359,972</u>	<u>\$ 6,549,282</u>	<u>\$ 5,975,226</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, 2025 and 2024

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	2024		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>SUPPORT AND REVENUE:</b>			
Gifts and grants	\$ 904,397	\$ 669,287	\$ 1,573,684
Contribution of nonfinancial assets	455,510	-	455,510
Special events, net	709,246	-	709,246
Net investment return	102,597	-	102,597
Rental income	8,278	-	8,278
Other income	-	-	-
	<u>2,180,028</u>	<u>669,287</u>	<u>2,849,315</u>
Net assets released from restrictions	871,901	(871,901)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<u>3,051,929</u>	<u>(202,614)</u>	<u>2,849,315</u>
<b>EXPENSES:</b>			
<b>PROGRAM:</b>			
Grants and related expenses	<u>1,708,963</u>	<u>-</u>	<u>1,708,963</u>
<b>SUPPORTING SERVICES:</b>			
Management and general	119,176	-	119,176
Fundraising	<u>225,847</u>	<u>-</u>	<u>225,847</u>
Total supporting services	<u>345,023</u>	<u>-</u>	<u>345,023</u>
<b>TOTAL EXPENSES</b>	<u>2,053,986</u>	<u>-</u>	<u>2,053,986</u>
<b>CHANGES IN NET ASSETS</b>	997,943	(202,614)	795,329
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>2,937,551</u>	<u>2,242,346</u>	<u>5,179,897</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 3,935,494</u>	<u>\$ 2,039,732</u>	<u>\$ 5,975,226</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, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 574,056	\$ 795,328
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	51,225	36,489
Realized and unrealized (gains) losses on investments	8,293	-
Changes in assets and liabilities:		
Inventory	85,348	(96,272)
Prepaid expenses	2,162	9,819
Promises to give and grants receivable	311,149	326,749
Accounts receivable	-	1,600
Accounts payable and accrued expenses	(74,428)	59,190
Accrued payroll liabilities	(10,851)	5,858
Right of use assets - operating leases	4,503	(22,400)
Operating lease liability	(4,503)	22,400
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>946,954</u>	<u>1,138,761</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(275,575)	(2,659,134)
Purchase of property and equipment	(275,401)	(407,116)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(550,976)</u>	<u>(3,066,250)</u>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES:</b>		
Principal payments on note payable	(95,007)	(79,553)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	300,971	(2,007,042)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>381,048</u>	<u>2,388,090</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 682,019</u>	<u>\$ 381,048</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Noncash transactions:		
Contribution of food	<u>\$ 305,704</u>	<u>\$ 425,510</u>
Contribution of nonfinancial assets	<u>\$ -</u>	<u>\$ 30,000</u>
Cash paid for interest expense	<u>\$ 28,120</u>	<u>\$ 31,004</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 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.

**D. Accounts Receivable.**

Accounts receivable consist primarily of amounts due on contracts for program services provided and are recorded at net realizable value and comprise amounts billed and currently due from customers. Collections from customers are continuously monitored and an allowance for credit losses is maintained based on historical experience adjusted for current conditions and reasonable forecasts taking into account geographical and industry specific economic factors. The Organization also considers any specific customer collection issues. At origination, the Organization evaluates credit risk based on a variety of credit quality factors including prior payment experience, customer financial information, credit ratings, probability of default, industry trends, and other internal metrics.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## D. Accounts Receivable (Continued).

On a continual basis, data for each major customer is regularly reviewed based on the type of funder, and past due status, to evaluate the adequacy of the allowance for credit losses. Any write-offs deemed necessary are charged against the allowance. There were no write-offs for credit losses for the years ended August 31, 2025 and 2024.

## E. 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 gifts and grants 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 uncollectible. As of August 31, 2025, \$47,697 was deemed uncollectible by management and written off. As of August 31, 2024 all promises to give were deemed collectible by management.

## F. 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.

## G. 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.

## H. 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.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## H. Revenue Recognition (Continued).

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.

## I. Advertising Costs.

Advertising costs totaling \$12,485, and \$48,389, during the years ended August 31, 2025 and 2024, respectively, are expensed as incurred. Advertising costs are included in Development and fundraising expenses in the Statement of Functional Expenses.

## J. 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.

## K. Contributions of Nonfinancial Assets.

Contributed nonfinancial assets include donated food and supplies which are recorded at the fair value for the food received or the net present value of fair value of the supplies.

In addition, to contributed nonfinancial assets, the Organization receives a substantial amount of donated services by volunteers interested in the Organization's programs. The Organization receives approximately 16,830 volunteer hours donated by approximately 2800 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.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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

## K. Contributions of Nonfinancial Assets (Continued).

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.

## L. 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.

## M. 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.

## N. 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.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**LIQUIDITY AND AVAILABILITY**

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

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 682,019	\$ 381,048
Promises to give and grants receivable	344,350	655,499
Investments	<u>2,926,416</u>	<u>2,659,134</u>
Total liquid assets	3,952,785	3,695,681
Less amounts unavailable for general expenditures within one year, due to:		
Restrictions by donor for time or purpose	<u>(1,359,972)</u>	<u>(2,039,732)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,592,813</u>	<u>\$ 1,655,949</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.

**PROMISES TO GIVE AND GRANTS RECIVABLE**

Unconditional promises to give and grants receivable 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 and grants receivable are detailed in the following schedule:

	<u>August 31,</u>	
	<u>2025</u>	<u>2024</u>
Receivable in less than one year	\$ 284,350	\$ 655,499
Receivable in one to five years	<u>60,000</u>	<u>-</u>
Total promises to give and grants receivable	<u>\$ 344,350</u>	<u>\$ 655,499</u>

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**FAIR VALUE OF ASSETS**

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets as of the reporting date.

Level 2 – Valuations based on inputs other than quoted prices, which are either directly or indirectly observable as of the reporting date, are valued at prices for similar assets or liabilities in markets not active, or determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable and include situations where there is little, if any, market activity for the asset. Fair value for these assets is determined using valuation methodologies that consider a range of factors, including but not limited to the price at which the asset was acquired, the nature of the assets, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the asset. The inputs into the determination of fair value require significant management judgment. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these assets existed.

There were no changes during the years ended August 31, 2025 and 2024, to the Organization's valuation techniques used to measure asset values on a recurring basis. As required by U.S. GAAP, assets are classified in entirety based on the lowest level of input that is significant to the fair value measurement.

The Organization's investments are classified as Level 1, and consist entirely of brokered certificates of deposit. No assets or liabilities were classified as Level 2 or Level 3. Cash held at brokerage accounts totaled \$523,079 and \$190,842 as of August 31, 2025 and 2024, respectively, and is included in cash and cash equivalents in the accompanying financial statements.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**PROPERTY AND EQUIPMENT**

Property and equipment consists of the following as of August 31:

	<u>2025</u>	<u>2024</u>
Land	\$ 2,000,000	\$ 2,000,000
Building and improvements	1,626,845	1,374,418
Furniture and fixtures	73,017	58,992
Computers and software	14,229	5,280
	<u>3,714,091</u>	<u>3,438,690</u>
Less accumulated depreciation	<u>(125,685)</u>	<u>(74,460)</u>
Property and equipment, net	<u>\$ 3,588,406</u>	<u>\$ 3,364,230</u>

**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. Interest expense incurred in connection with the Organization's borrowings totaled \$28,120 and \$31,004 for the years ending August 31, 2025 and 2024, respectively. The note is secured by the building and is due May 2027. The loan agreement related to the property includes a financial covenant requiring the Organization to maintain a minimum Debt Service Coverage Ratio (DSCR) of 1.25 times. Compliance with the DSCR covenant is measured annually based on the Organization's federal tax return for the applicable year. The DSCR covenant became effective beginning with the 2022 tax return. The Organization was in compliance with all financial covenants as of August 31, 2025 and 2024. Principal maturities of long-term debt are as follows:

<u>Year Ended August 31,</u>	<u>Amount</u>
2026	\$ 97,889
2027	<u>888,500</u>
Total minimum principal payments	<u>\$ 986,389</u>

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**NET ASSETS**

Net assets with donor restriction at August 31, 2025 and 2024, are restricted as follows:

	<u>2025</u>	<u>2024</u>
Building and expanding programs	\$ 1,057,888	\$ 1,883,032
Customize salesforce platform	87,500	-
Truck for TABLE	10,484	-
Time	<u>204,100</u>	<u>156,700</u>
Total net assets with donor restrictions	<u>\$ 1,359,972</u>	<u>\$ 2,039,732</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, 2025 and 2024, were \$1,615,724 and \$871,901, respectively.

**CONTRIBUTED NONFINANCIAL ASSETS**

For the years ended August 31, 2025 and 2024, contributed nonfinancial assets recognized as revenue in the statements of activities and changes in net assets include the following:

	<u>2025</u>	<u>2024</u>
Food	\$ 305,704	\$ 425,510
Furniture	-	17,500
Consulting services	<u>-</u>	<u>12,500</u>
Total contribution of nonfinancial assets	<u>\$ 305,704</u>	<u>\$ 455,510</u>

Contributed food is valued at its fair value at date of donation. Fair value is estimated using the average price per pound of \$2.63 and \$2.48, for the years ended August 31, 2025 and 2024, respectively. This rate is determined by adjusting the rate published by Feeding America, Inc. (a nationwide network of food banks) for the mix of fresh produce offered by TABLE Ministries, Inc.. The donated food is utilized by the Organization's programs. There are no donor-imposed restrictions associated with the donated food.

Contributed nonfinancial assets include donated supplies which are recorded at the respective value of the supplies received. The Organization recognized donated furniture totaling \$17,500 and services of \$12,500, during the year ended August 31, 2024. There were no donated supplies in the year ending August 31, 2025. The contributed donated furniture and services have been recognized in the accompanying financial statements as a contribution of nonfinancial assets at their estimated value. The value was determined by an estimated retail value that would have been incurred had the supplies not been donated.

All contributed nonfinancial assets were utilized during the year they were received to carry out the organization's programs.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**LEASES**

The Organization has elected the short-term lease exemption for leases with a term of 12 months or less. Lease payments for these short-term leases are recognized as lease expense on a straight-line basis over the lease term. The Organization was obligated under a lease for office space on a month-to-month agreement for \$3,000 per month ending in February 2024. Rent expense under the office space lease agreement totaled \$0 and \$18,000, for the years ended August 31, 2025 and 2024, respectively, and is included in occupancy on the statements of functional expenses.

The Organization leases a copier under a long-term non-cancelable operating lease agreement ending in 2029. 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 \$5,648 and \$3,954, for each year ended August 31, 2025 and 2024, respectively.

As of August 31, 2025, the Organization's operating leases had a weighted average remaining lease term of 4.08 years, and a weighted average discount rate of 5%. Future minimum lease payments are below.

<u>Year Ended August 31,</u>	
2026	\$ 5,648
2027	5,648
2028	5,648
2029	5,648
2030	<u>471</u>
Thereafter	<u>-</u>
Total undiscounted cash flows	23,063
Less: present value discount	<u>(2,155)</u>
Total lease liability	<u>\$ 20,908</u>

The Organization leased a portion of their building space to tenants under a noncancelable operating lease. The agreement commenced in November 2022 and expired in September 2023. This agreement had a monthly rate of \$1,600. Rental income totaled \$0 and \$533, for the years ended August 31, 2025 and 2024, respectively.

The Organization will occasionally lease parking spaces adjacent to their building. This is via Spacer.com and FIT Carrboro, and there is no lease involved; the space is rented for a determined quantity of hours. Rental income related to space rental was \$2,531 and \$7,745 for the years ended August 31, 2025 and 2024, respectively.

## TABLE MINISTRIES, INC.

## NOTES TO FINANCIAL STATEMENTS

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**CONCENTRATIONS**

At August 31, 2025 and 2024, approximately 76% and 67%, respectively, of the Organization's promises to give receivable were due from two and three donors, respectively. The Organization monitors concentrations of credit risk related to promises to give and has historically collected amounts due from these donors.

At August 31, 2025 and 2024, approximately 65% and 82%, respectively, of the Organization's grants receivable were due from three and five grantors, respectively. The Organization monitors concentrations of credit risk related to grants receivable and has historically collected amounts due from these grantors.

**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.

*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, 2025 and 2024, totaled \$802,595, and \$716,209, respectively. The amounts consist of special events' tickets. There is no deferred revenue related to these contracts at August 31, 2025, 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, 2025 and 2024.

*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.

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

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**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.

**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, 2025 and 2024, was \$9,052 and \$8,721, respectively.

**RECLASSIFICATIONS**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation of the current year financial statements. Such reclassifications had no effect on net assets.

**SUBSEQUENT EVENTS**

In September 2025, the Organization purchased a piece of property which is adjacent to its current building for \$370,000.

Management has evaluated subsequent events for recognition or disclosure through February 10, 2026, which is the date that the financial statements were available to be issued, and determined there were no other events that require disclosure.