

PARKLAND C.A.R.E.S. FOOD PANTRY

FINANCIAL REPORT

(Reviewed)

December 31, 2023



BUCKNOLISICKY.COM

A Professional Corporation

Certified Public Accountants | Business Consultants

PARKLAND C.A.R.E.S. FOOD PANTRY

Table of Contents

December 31, 2023

	<u>Page</u>
Independent Accountants' Review Report	1-2
Financial Statements	
Statements of assets, liabilities and net assets - modified cash basis	3
Statements of revenues, expenses and changes in net assets - modified cash basis	4
Statements of functional expenses - modified cash basis	5-6
Notes to financial statements	7-9

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees of
Parkland C.A.R.E.S. Food Pantry

We have reviewed the accompanying financial statements of Parkland C.A.R.E.S. Food Pantry (a nonprofit organization) which comprise the statements of assets, liabilities and net assets – modified cash basis as of December 31, 2023 and 2022, and the related statements of revenues, expenses and changes in net assets – modified cash basis and functional expenses – modified cash basis for the years then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for preparation of financial statements in the circumstances. Management is also responsible 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Parkland C.A.R.E.S. Food Pantry and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Buchno Lisicky + Company

Allentown, Pennsylvania
February 6, 2024

PARKLAND C.A.R.E.S. FOOD PANTRY**Statements of Assets, Liabilities and Net Assets - Modified Cash Basis****December 31, 2023 and 2022****See Independent Accountants' Review Report**

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 225,600	\$ 350,579
Certificates of deposit	<u>312,200</u>	<u>100,213</u>
TOTAL CURRENT ASSETS	<u>537,800</u>	<u>450,792</u>
TOTAL ASSETS	<u>\$ 537,800</u>	<u>\$ 450,792</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payroll taxes payable	\$ 180	\$ 224
TOTAL CURRENT LIABILITIES	<u>180</u>	<u>224</u>
 NET ASSETS		
Without donor restrictions	<u>537,620</u>	<u>450,568</u>
TOTAL NET ASSETS	<u>537,620</u>	<u>450,568</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 537,800</u>	<u>\$ 450,792</u>

PARKLAND C.A.R.E.S. FOOD PANTRY**Statements of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis****Years Ended December 31, 2023 and 2022****See Independent Accountants' Review Report**

	December 31, 2023			December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Grants and contributions	\$ 222,609	\$ -	\$ 222,609	\$ 240,627	\$ -	\$ 240,627
In-kind food donations	356,085	-	356,085	91,800	-	91,800
Interest income	19,006	-	19,006	77	-	77
TOTAL REVENUE AND SUPPORT	597,700	-	597,700	332,504	-	332,504
EXPENSES						
Program	460,975	-	460,975	166,837	-	166,837
Management and general	31,425	-	31,425	28,273	-	28,273
Fundraising	18,248	-	18,248	13,542	-	13,542
TOTAL EXPENSES	510,648	-	510,648	208,652	-	208,652
INCREASE IN NET ASSETS	87,052	-	87,052	123,852	-	123,852
BEGINNING NET ASSETS	450,568	-	450,568	326,716	-	326,716
ENDING NET ASSETS	\$ 537,620	\$ -	\$ 537,620	\$ 450,568	\$ -	\$ 450,568

PARKLAND C.A.R.E.S. FOOD PANTRY**Statement of Functional Expenses - Modified Cash Basis****Year Ended December 31, 2023****See Independent Accountants' Review Report**

	Program Expenses	Management and General	Fund Raising	Total
Wages	\$ 30,564	\$ 10,188	\$ 10,188	\$ 50,940
Payroll taxes	2,801	934	934	4,669
Workers compensation insurance	45	15	15	75
Legal and professional	-	3,600	-	3,600
Insurance	-	2,724	-	2,724
Office and computer supplies	-	10,939	-	10,939
Advertising and marketing	-	-	6,800	6,800
Bank charges and fees	-	850	-	850
Meals and entertainment	-	1,426	-	1,426
Repairs and maintenance	-	749	-	749
Rent expense	18,000	-	-	18,000
Utilities	4,262	-	-	4,262
Food purchases	402,878	-	-	402,878
Volunteer expense	2,425	-	-	2,425
Other fundraising expense	-	-	311	311
	<u>\$ 460,975</u>	<u>\$ 31,425</u>	<u>\$ 18,248</u>	<u>\$ 510,648</u>

PARKLAND C.A.R.E.S. FOOD PANTRY**Statement of Functional Expenses - Modified Cash Basis****Year Ended December 31, 2022****See Independent Accountants' Review Report**

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Wages	\$ 18,101	\$ 6,033	\$ 6,033	\$ 30,167
Payroll taxes	2,521	840	840	4,201
Workers compensation insurance	525	175	175	875
Legal and professional	-	3,450	-	3,450
Insurance	-	1,412	-	1,412
Office and computer supplies	-	14,689	-	14,689
Advertising and marketing	-	-	5,333	5,333
Bank charges and fees	-	233	-	233
Meals and entertainment	-	493	-	493
Repairs and maintenance	-	948	-	948
Rent expense	17,700	-	-	17,700
Utilities	2,838	-	-	2,838
Food purchases	120,852	-	-	120,852
Volunteer expense	4,300	-	-	4,300
Other fundraising expense	-	-	1,161	1,161
	<u>\$ 166,837</u>	<u>\$ 28,273</u>	<u>\$ 13,542</u>	<u>\$ 208,652</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of activities

Parkland Cares Food Pantry was organized to aid children and their families in the Parkland community by serving and feeding every member of the Parkland community suffering from hunger. The Organization's primary source of revenue is in-kind contributions of food from local businesses. The Organization also receives cash contributions and grants. Revenues can vary from year to year.

Basis of accounting

The financial statements of the Organization have been prepared on the modified cash basis of accounting; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred, with the exception of payroll liabilities.

Basis of presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) in its Accounting Standards Update (ASU) No. 2016-14, which provides guidance for classification of net assets. The amounts for each of the two classes of net assets are based on the existence or absence of donor-imposed restrictions described as follows:

Net assets without donor restrictions – net assets of the Organization whose use has not been restricted by an outside donor or law. They are available for any use carrying out the operations of the Organization. This class also includes assets previously restricted where restrictions have expired or been met.

Net assets with donor restrictions – net assets of the Organization whose use has been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of the Organization. When such stipulations end or are fulfilled, the net assets with donor restrictions are released to net assets without donor restrictions. Certain restrictions may need to be maintained in perpetuity. The Organization had no net assets with donor restrictions at December 31, 2023 and 2022.

Functional allocation of expenses

The costs of providing various programs have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the various programs and support services. Supporting services consist of management and general, and fundraising expenses. Certain expenses require allocation on a reasonable basis that is consistently applied. Those expenses include payroll, payroll taxes and workers compensation, which are allocated on the basis of an estimate of time and effort.

PARKLAND C.A.R.E.S. FOOD PANTRY

Notes to the Financial Statements

December 31, 2023 and 2022

Use of estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions

The Organization reports gifts of cash and other assets as contributions with donor restrictions if they are received with donor stipulations that limit the use of 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 statement of revenues, expenses and changes in net assets as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as an increase in net assets without donor restrictions.

Advertising

The Organization expenses all advertising costs as paid. The amount of advertising expensed during the years ended December 31, 2023 and 2022 is \$6,800 and \$5,333, respectively.

Income taxes

The Organization is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

The Organization files a Return of Organization Exempt From Income Tax annually. The Organization's returns for 2021, 2022, and 2023 are subject to examination by the IRS, generally for three years after they were filed.

Date of management's review

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 6, 2024, the date the financial statements were available to be issued.

NOTE 2. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2023 and 2022, all net assets were without donor restrictions. All contributions recognized during the years ended December 31, 2023 and 2022 were without donor restrictions.

PARKLAND C.A.R.E.S. FOOD PANTRY

Notes to the Financial Statements

December 31, 2023 and 2022

NOTE 3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is without donor restrictions limiting their use within one year of the balance sheet date are \$537,800 and \$450,792 as of December 31, 2023 and 2022, respectively.

NOTE 4. CONCENTRATIONS

The Organization maintains its cash and cash equivalent in a commercial bank, which at times may exceed federally insured limits of \$250,000. The Organization has not experienced any losses in such accounts.

NOTE 5. IN-KIND DONATIONS

In-kind food donations are reported at estimated fair market value at the date the food is donated. For the year ended December 31, 2023, an estimate of \$1.93 per pound was used to value 184,500 pounds of food donations. The total value of food donations is reported separate from other contributions and grants in the statement of revenues, expenses and changes in net assets. Total food donations for the year ended December 31, 2023 and 2022 was \$356,085 and \$91,800, respectively.