



LOCH, ELSENBAUMER, NEWTON & CO.
A PROFESSIONAL CORPORATION
ACCOUNTANTS AND CONSULTANTS

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

FINANCIAL REPORT

DECEMBER 31, 2020



LOCH, ELSENBAUMER, NEWTON & CO.

A PROFESSIONAL CORPORATION

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Parkland C.A.R.E.S. Food Pantry
Orefield, PA

We have reviewed the accompanying financial statements of Parkland Cares Food Pantry (a not-for-profit organization), which comprise the statement of financial position-cash basis as of December 31, 2020, and the related statements of activities-cash basis, functional expenses-cash basis and cash flows-cash basis for the year 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 company 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 cash basis of accounting; 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.

Accountant's 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 cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's 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 cash basis of accounting.

Loch, Elsenbaumer, Newton & Co.

Allentown, PA
November 1, 2021

PARKLAND C.A.R.E.S. FOOD PANTRY
STATEMENT OF FINANCIAL POSITION - CASH BASIS
DECEMBER 31, 2020
See Independent Accountants' Review Report

ASSETS

CURRENT ASSETS

Cash, Checking	\$ 135,881
Certificate of Deposit, 90 Day	<u>55,139</u>
Total Current Assets	<u>191,020</u>

Total Assets	\$ <u>191,020</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll taxes payable	\$ <u>597</u>
Total Current Liabilities	<u>597</u>

NET ASSETS

Without donor restrictions:

Operating	<u>190,423</u>
Total Net Assets	<u>190,423</u>

Total Liabilities and Net Assets	\$ <u>191,020</u>
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PARKLAND C.A.R.E.S. FOOD PANTRY
STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
See Independent Accountants' Review Report

REVENUES	
Grants and contributions	\$ 193,410
In kind food donations	117,258
Interest income	<u>139</u>
	310,807
EXPENSES	
Program services	153,635
Management and general	14,931
Fundraising	<u>10,581</u>
	179,147
INCREASE IN NET ASSETS	131,660
NET ASSETS, JANUARY 1	<u>58,763</u>
NET ASSETS, DECEMBER 31	\$ <u>190,423</u>

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

PARKLAND C.A.R.E.S. FOOD PANTRY
STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
See Independent Accountants' Review Report

	Program Services	Management & General	Fundraising	Total
Food provided to those in need	\$117,258	\$ -0-	\$ -0-	\$117,258
Wages	6,933	6,933	3,467	17,333
Payroll tax expense	722	722	362	1,806
Workers compensation insurance	813	813	407	2,033
Legal and professional	-0-	2,790	-0-	2,790
Insurance	-0-	800	-0-	800
Office and computer supplies	6,056	1,514	-0-	7,570
Advertising and marketing	-0-	-0-	6,276	6,276
Bank charges and fees	-0-	216	-0-	216
Meals and entertainment	-0-	392	-0-	392
Repairs and maintenance	-0-	601	-0-	601
Taxes and licenses	-0-	150	-0-	150
Rent expense	14,250	-0-	-0-	14,250
Utilities	1,356	-0-	-0-	1,356
Other food costs	5,247	-0-	-0-	5,247
Volunteer expense	1,000	-0-	-0-	1,000
Other fundraising expense	-0-	-0-	69	69
Total Expenses	<u>\$153,635</u>	<u>\$ 14,931</u>	<u>\$ 10,581</u>	<u>\$179,147</u>

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

PARKLAND C.A.R.E.S. FOOD PANTRY
STATEMENT OF CASH FLOWS-CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 131,660
Change in:	
Payroll Taxes Payable	(102)
Net cash provided by operating activities	<u>131,558</u>
CASH FLOWS USED IN INVESTING ACTIVITIES	
Certificate of Deposit, 90 Day	(55,139)
Net cash used in investing activities	<u>(55,139)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	76,419
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>59,462</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 135,881</u>

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

PARKLAND C.A.R.E.S. FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Entity

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 accompanying financial statements have been prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by the action of the Board of Directors.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations. Some donor 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 has been fulfilled, or both.

As of December 31, 2020, there were no net assets with donor restrictions. Revenue received with donor restrictions that are met in the same reporting period are reported as increases in net assets without donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with the cash basis of accounting require 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

PARKLAND C.A.R.E.S. FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

Donated Services

Contributed services are recorded if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A significant amount of time has been donated by volunteers and board members of the Organization, however, such services are typically not recorded.

Contributions

The Organization reports gifts of cash and other assets as restricted contributions 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 activities 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.

In-kind Food Donations

In-kind food donations are reported at estimated fair market value. For the year ended December 31, 2020, an estimate of \$1.70 per pound was used to value food donations. The total value of food donations is reported separate from other contributions and grants.

Cash and Cash Equivalents

For purposes of presentation in the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of one month or less to be cash equivalents.

Fair Value of Financial Instruments

The Organization's financial instruments consist of a checking account and a 90 day certificate of deposit. The carrying value for all such instruments, considering the terms, approximates fair value at December 31, 2020.

Land, Building and Equipment

The Organization capitalizes items with a cost, or estimated value if donated, greater than \$2,500 and a useful life greater than one year. The Organization had no capitalized items as of December 31, 2020.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization files Form 990, Return of Organization Exempt from Income Tax, which is subject to examination by the Internal Revenue Service, generally for three years after filing.

PARKLAND C.A.R.E.S. FOOD PANTRY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

Functional Allocation of Expenses

The costs of providing the Organization's various programs and supporting services 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. Expenses that can be identified with a specific program or support service are allocated directly according to their natural classification. Other expenses that are common to several functions are allocated based on estimates made for time spent by key personnel between functions and other objective bases.

Advertising Costs

The Organizations advertising costs are expensed as incurred.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of a non interest bearing checking account at December 31, 2020.

3. RESTRICTED NET ASSETS

At December 31, 2020, all net assets were without donor restrictions. All other contributions recognized during the year ended December 31, 2020 were without donor restrictions.

4. CONCENTRATION OF CREDIT RISK

Cash and cash equivalents includes cash in a bank account which at times, may exceed federally insured limits.

5. CONTRIBUTED SERVICES

Several volunteers have donated their time to the Organization. No amounts have been included in the financial statements for these services since the recognition criteria is not met.

6. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 1, 2021, the date on which the financial statements were available to be issued.