

**GOD'S PANTRY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

# **GOD'S PANTRY**

## **TABLE OF CONTENTS**

	<u>Page</u>
Independent Accountant's Review Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9



**WERNER & COMPANY, INC.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**JEFFREY L. WERNER, CPA**  
**RANDALL J. WERNER, CPA**  
909.727.3076 | Fax 909.727.3023  
9587 Arrow Route, Suite G  
Rancho Cucamonga, CA 91730

## **Independent Accountant's Review Report**

To the Board of Directors  
God's Pantry

We have reviewed the accompanying financial statements of God's Pantry (a nonprofit corporation) which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows 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 management. A review is substantially less in scope than an audit, the objective of which is to 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 accounting principles generally accepted in the United States of America; 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 accounting principles generally accepted in the United States of America. 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 accounting principles generally accepted in the United States of America.

Werner & Company, Inc.  
November 24, 2021

**GOD'S PANTRY**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2020**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$	216,775
Security deposits		3,000
Accounts receivable		27,130
Total Current Assets		<u>246,905</u>

**PROPERTY AND EQUIPMENT**

Property and Equipment		101,418
Less accumulated depreciation		<u>(37,878)</u>
Total Property and equipment		<u>63,540</u>

**TOTAL ASSETS**

\$ 310,445

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Liabilities		
Total Liabilities		<u></u>

**NET ASSETS**

Without Donor Restrictions		<u>310,445</u>
Total Net Assets		<u>310,445</u>

**TOTAL LIABILITIES AND NET ASSETS**

\$ 310,445

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

**GOD'S PANTRY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>REVENUES AND SUPPORT</b>	<b>2020</b>
Contributions	\$ 768,688
Inkind contributions	2,500,000
Special events, net	<u>12,331</u>
Total Revenues and Support	<u>3,281,019</u>
<b>EXPENSES</b>	
Program services	2,986,832
Management and General	17,176
Fundraising	<u>52,642</u>
Total Expenses	<u>3,056,650</u>
<b>CHANGE IN NET ASSETS</b>	224,369
<b>NET ASSETS-BEGINNING OF YEAR</b>	<u>86,076</u>
<b>NET ASSETS-END OF YEAR</b>	<u><u>\$ 310,445</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**GOD'S PANTRY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Program Services</b>	<b>Management &amp; General</b>	<b>Fundraising</b>	<b>Total</b>
Food donation	\$ 2,500,000			\$ 2,500,000
Salaries	131,379	11,790	25,265	168,434
Employee benefits	26,896	2,414	5,172	34,482
Payroll taxes	18,604	1,670	3,578	23,852
Office supplies	3,451	310	663	4,424
Business services	4,251	381	818	5,450
Marketing			1,912	1,912
Professional services	3,829	344	736	4,909
Insurance	13,088			13,088
License & registrations	3,627			3,627
Meals & entertainment	2,710	243	521	3,474
Fundraising			13,927	13,927
The Well expenses	45,835			45,835
Occupancy	107,058			107,058
Utilities	23,257			23,257
Equipment repair & maint	19,555			19,555
Food bank expenses	23,309			23,309
Fuel	12,749			12,749
Truck rental	40,464			40,464
Miscellaneous	1,619	24	50	1,693
Depreciation	5,151			5,151
Total Expenses	<u>\$ 2,986,832</u>	<u>\$ 17,176</u>	<u>\$ 52,642</u>	<u>\$ 3,056,650</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**GOD'S PANTRY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2020</b>
Change in Net Assets	<u>\$ 224,369</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	5,151
Increase in accounts receivable	<u>(27,130)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>202,390</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of Property and Equipment	(51,400)
Disposal of equipment	<u>1,469</u>
Net cash provided (used) by investing activities	<u>(49,931)</u>
 <b>NET INCREASE IN CASH</b>	152,459
 <b>CASH, BEGINNING OF YEAR</b>	<u>64,316</u>
 <b>CASH, END OF YEAR</b>	<u><u>\$ 216,775</u></u>

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

**GOD'S PANTRY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1-NATURE OF ACTIVITIES**

God's Pantry (the Organization), a nonprofit corporation located in the communities of Chino and Pomona, California was formed under the nonprofit corporation laws of the State of California in 2013 to provide food and clothing to the needy. The organizations mission is to share the Gospel of Jesus Christ by helping meet the basic nutritional and spiritual needs of the community as they share Christ's love in a practical way. The organization accomplishes its mission by providing monthly food distributions at public schools throughout the surrounding community. The organization also provides case management and mental health services to low income and unhoused clients. The organization accepts food donations from regional food banks which it distributes to the community in need. Funding is provided by contributions from individuals and religious organizations. Funds are also raised through fundraisers and special events.

**NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Reporting**

The financial statements of the Organization have been prepared on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned and expenses are recognized when the goods or services are received.

**Financial Statement Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets, revenues and support are classified based on the existence or absence of donor imposed or grantor-imposed restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Net assets with donor restrictions are subject to donor-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.

**Revenue Recognition**

Contributions received and unconditional promises to give are measured at their fair value and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to net assets without restrictions and reported in the statement of activity as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as unrestricted support.



**GOD'S PANTRY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

**Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, funds on deposit with financial institutions, and investment with original maturities of three months or less.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Accounts Receivable**

Accounts receivable consist primarily of amounts due from government agencies and program services. The Organization uses the allowance method to determine uncollectible receivable. The allowance is based on prior years experience and management's analysis of specific receivables. No allowance was established at December 31, 2020 as management expects to collect the receivables in full.

**Property, Equipment and Depreciation**

The assets recorded on the Organization's books are stated at cost, with the exception of donated assets which are stated at their estimated fair market value at the date of the gift. The Organization capitalizes assets that cost greater than \$500. Depreciation is calculated on the straight line method over the estimated economic life of the related assets, which range from 3 to 40 years.

**Advertising Expense**

Advertising costs are expensed as they are incurred.

**Functional Expenses**

Identifiable expenses are charged to program services and supporting services. Other functional expenses have been allocated between such categories related in personnel time and space utilized for activities.

**NOTE 3-SIGNIFICANT CONCENTRATIONS OF CREDIT RISK**

The Organization maintains bank accounts at various financial institutions. The balances in these accounts do not exceed the FDIC federally insured amount of \$250,000.

**GOD'S PANTRY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 4-INCOME TAXES**

God's Pantry is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue and Taxation Code of the State of California. Generally accepted accounting principles provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the organization in its federal and state tax returns are more likely than not to be sustained upon examination. The Organization's tax returns are subject to examination by federal taxing authorities for a period of three years from the date they are filed and for a period of four years for California taxing authorities.

**NOTE 5-LEASE COMMITMENT**

The Organization leases warehouse space for its operations in Pomona, California. The lease is for a period of 3 years from May 1, 2019 to April 30, 2022. Total rent expense for the year was \$85,890. The following is a schedule of future rental payments required under the leases:

Year ended December 31:	
2021	\$ 88,250
2022	29,705

**NOTE 6-PROPERTY AND EQUIPMENT**

Property and Equipment at December 31, 2020 consists of the following:

Building improvements	3,100
Vehicles	50,554
Office equipment	2,799
Equipment	<u>44,965</u>
Total	101,418
Less accumulated depreciation	<u>(37,878)</u>
Total Property and Equipment	<u>\$ 63,540</u>

Depreciation expense for the year was \$5,151.

**GOD'S PANTRY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 9-SUBSEQUENT EVENTS**

The Organization evaluated subsequent events through November 24, 2021, the date the financial statements were available to be issued.

**NOTE 10-FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Expenses for salaries, payroll taxes and employee benefits are allocated based on estimates of time and effort. Expenses for other operating expenses are allocated based on usage of space.

**NOTE 11- LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of December 31, 2020 and the amounts of those financial assets that are available for use within one year to meet general expenditures:

Cash	\$ 216,775
Accounts receivable	<u>27,130</u>
Total Financial Assets	<u>\$ 243,905</u>

**NOTE 12- IN-KIND CONTRIBUTIONS**

The organization receives food distributions from regional food banks. These donations are valued at fair market value on the date of the donation. The food distributions are recognized as In-kind revenue and expensed in the year in which they were received and distributed.