

FINANCIAL STATEMENTS



**FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2019**

THE SHEPHERD'S TABLE, INC.

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Shepherd's Table, Inc.
Silver Spring, Maryland

We have audited the accompanying financial statements of The Shepherd's Table, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020, and the change 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.

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Report on Summarized Comparative Information

We have previously audited the Organization's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 28, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

July 27, 2021

THE SHEPHERD'S TABLE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

ASSETS

	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,844,445	\$ 870,289
Investments	893,114	776,180
Contributions receivable	687,077	435,822
Prepaid expenses	14,600	15,160
Deposits	<u>2,000</u>	<u>2,000</u>
Total current assets	<u>3,441,236</u>	<u>2,099,451</u>
FIXED ASSETS		
Furniture and equipment	177,353	122,270
Website development	3,500	3,500
Less: Accumulated depreciation and amortization	<u>(91,171)</u>	<u>(77,935)</u>
Net fixed assets	<u>89,682</u>	<u>47,835</u>
OTHER ASSETS		
Contributions receivable, net of current portion	<u>50,000</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 3,580,918</u>	<u>\$ 2,147,286</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued liabilities	\$ 40,313	\$ 28,261
Accrued salaries and related benefits	<u>18,692</u>	<u>8,470</u>
Total liabilities	<u>59,005</u>	<u>36,731</u>
NET ASSETS		
Without donor restrictions	3,269,103	1,810,234
With donor restrictions	<u>252,810</u>	<u>300,321</u>
Total net assets	<u>3,521,913</u>	<u>2,110,555</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,580,918</u>	<u>\$ 2,147,286</u>

THE SHEPHERD'S TABLE, INC.

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Contributions	\$ 2,123,849	\$ 361,611	\$ 2,485,460	\$ 1,424,676
Government grants	327,341	-	327,341	264,851
Workplace giving	43,899	-	43,899	28,353
Investment income, net	117,202	-	117,202	135,710
Contributed services and materials	953,900	-	953,900	1,262,541
Loss on sale of fixed assets	1,429	-	1,429	-
Net assets released from donor restrictions	<u>409,122</u>	<u>(409,122)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>3,976,742</u>	<u>(47,511)</u>	<u>3,929,231</u>	<u>3,116,131</u>
EXPENSES				
Program Services	<u>1,976,702</u>	<u>-</u>	<u>1,976,702</u>	<u>1,981,321</u>
Supporting Services:				
Management and General	260,123	-	260,123	395,941
Fundraising	<u>281,048</u>	<u>-</u>	<u>281,048</u>	<u>331,238</u>
Total supporting services	<u>541,171</u>	<u>-</u>	<u>541,171</u>	<u>727,179</u>
Total expenses	<u>2,517,873</u>	<u>-</u>	<u>2,517,873</u>	<u>2,708,500</u>
Change in net assets before other item	1,458,869	(47,511)	1,411,358	407,631
OTHER ITEM				
Uncollectible pledges	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,500)</u>
Change in net assets	1,458,869	(47,511)	1,411,358	402,131
Net assets at beginning of year	<u>1,810,234</u>	<u>300,321</u>	<u>2,110,555</u>	<u>1,708,424</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,269,103</u>	<u>\$ 252,810</u>	<u>\$ 3,521,913</u>	<u>\$ 2,110,555</u>

THE SHEPHERD'S TABLE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020				2019	
	Program Services	Supporting Services			Total Expenses	Total Expenses
		Management and General	Fundraising	Total Supporting Services		
Salaries and benefits	\$ 849,521	\$ 133,443	\$ 171,310	\$ 304,753	\$ 1,154,274	\$ 995,024
Food	480,655	463	-	463	481,118	568,773
Clothing and other supplies	186,587	248	226	474	187,061	428,950
Rent	304,799	43,138	61,478	104,616	409,415	397,296
Professional fees	-	74,234	-	74,234	74,234	116,750
Information technology	46,257	1,062	5,273	6,335	52,592	45,882
Meetings/conferences	8,604	-	5,948	5,948	14,552	28,745
Printing	4,225	598	18,649	19,247	23,472	28,283
Repairs and maintenance	40,758	1,941	2,766	4,707	45,465	23,836
Insurance	10,873	1,539	2,193	3,732	14,605	15,486
Physicians	12,365	-	-	-	12,365	13,300
Depreciation and amortization	9,854	1,395	1,987	3,382	13,236	9,195
Miscellaneous	6,053	894	2,108	3,002	9,055	9,132
Telephone	3,705	524	747	1,271	4,976	5,141
Postage and deliveries	83	4	3,589	3,593	3,676	4,738
Eye clinic - glasses and supplies	3,396	-	-	-	3,396	4,102
Security services	1,649	233	333	566	2,215	3,931
Prescriptions	5,074	-	-	-	5,074	3,186
Dues and memberships	235	33	4,367	4,400	4,635	2,194
Tokens	-	-	-	-	-	2,000
Gifts	-	374	74	448	448	1,846
Travel	2,009	-	-	-	2,009	710
TOTAL	\$ 1,976,702	\$ 260,123	\$ 281,048	\$ 541,171	\$ 2,517,873	\$ 2,708,500

See accompanying notes to financial statements.

THE SHEPHERD'S TABLE, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,411,358	\$ 402,131
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	13,236	9,195
Realized (gain) loss on sale of investments	(17,115)	64
Unrealized gain on investments	(73,053)	(105,076)
Receipt of donated securities	(12,660)	(11,918)
Sale of donated securities	12,862	12,000
Realized gain on sale of donated securities	(202)	(82)
(Increase) decrease in:		
Contributions receivable	(301,255)	(370,767)
Pledges receivable	-	28,232
Prepaid expenses	560	(1,279)
Increase in:		
Accounts payable and accrued liabilities	12,052	10,598
Accrued salaries and related benefits	<u>10,222</u>	<u>5,008</u>
Net cash provided (used) by operating activities	<u>1,056,005</u>	<u>(21,894)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(55,083)	(42,564)
Purchases of investments	(150,910)	(76,135)
Proceeds from sales of investments	<u>124,144</u>	<u>63,738</u>
Net cash used by investing activities	<u>(81,849)</u>	<u>(54,961)</u>
Net increase (decrease) in cash and cash equivalents	974,156	(76,855)
Cash and cash equivalents at beginning of year	<u>870,289</u>	<u>947,144</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ <u>1,844,445</u>	\$ <u>870,289</u>

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Shepherd's Table, Inc. (the Organization) was formed in 1983 as a non-profit organization. The principle function of the Organization is to help develop a sense of community responsibility by working with churches, synagogues, community service organizations, and individuals who share a common concern for the disadvantaged in the community by mobilizing volunteers and members to serve in the Montgomery County area, and more particularly, the Silver Spring, Takoma Park community. The Organization operates a soup kitchen known as "The Shepherd's Table" to serve hot, nutritious, free meals daily for the needy in the area, and to do so without regard to race, creed, religion, color, sex, handicap, or national origin. The Organization provides clothes and showers, prescriptions, eye care, supportive and referral services and any other assistance that the directors consider appropriate.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions".
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The financial statements include certain prior year summarized comparative information in total but not by net asset class; such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value.

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Investments (continued) -

Interests, dividends, realized and unrealized gains and losses are included in investment income, which is presented net of investment expenses paid to external investment advisors, on the accompanying Statement of Activities and Change in Net Assets.

Contributions receivable -

Contributions receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of \$2,000 are capitalized and stated at cost. Furniture and equipment is depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to ten years. The cost of maintenance and repairs is recorded as expenses are incurred. Website development costs are amortized over five years once placed in service. Costs incurred for the ongoing maintenance of the existing website are expensed as incurred. The capitalization and ongoing assessment of recoverability of website development costs incurred require reasonable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility and estimated economic life. Depreciation and amortization expense during the year ended December 31, 2020 totaled \$13,236.

Income taxes -

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization is not a private foundation.

Uncertain tax positions -

For the year ended December 31, 2020, the Organization has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes, and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Revenue -

The majority of Organization's activities are supported by grants and contributions from the local government and other grantors. These awards are for various activities performed by Organization. Grants and contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual grant and contribution to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For grants and contributions qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Grants and contributions qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

THE SHEPHERD'S TABLE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Revenue (continued) -

Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Grants or contributions qualifying as conditional contributions contain a right of return provision that limits the Organization on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. Most grant awards from the United States Government and other entities are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are therefore recognized as contributions when the revenue becomes unconditional. The Organization recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. For contributions and grants treated as conditional contributions, the Organization had approximately \$150,000 in unrecognized awards as of December 31, 2020.

Workplace giving donations are donations without donor restriction and are recognized as revenue when received.

Contributed services and materials -

Contributed services and materials consist of food, clothing, supplies, office space, and professional services. Contributed services and materials are recorded at their fair value as of the date of the gift. In addition, volunteers have donated significant amounts of their time to the Organization; these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

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 and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

Investment risks and uncertainties -

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

Fair value measurement -

The Organization adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Organization accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

Economic uncertainties -

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen which may negatively impact ST's operations. The overall potential impact is unknown at this time.

2. **INVESTMENTS**

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2020. There were no transfers between levels in the fair value hierarchy during the year ended December 31, 2020. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Mutual stock funds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual bonds funds* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

THE SHEPHERD'S TABLE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

2. INVESTMENTS (Continued)

- *Exchange traded products* - Exchange traded products include exchange-traded funds (ETFs), exchange-traded notes (ETNs), and other exchange-traded vehicles. Valued at the closing price reported on the active market in which the individual securities are traded.
- *Stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2020.

	Level 1	Level 2	Level 3	Total
Asset Class:				
Mutual stock funds	\$ 251,120	\$ -	\$ -	\$ 251,120
Mutual bond funds	329,141	-	-	329,141
Exchange traded products	297,178	-	-	297,178
Stocks	15,675	-	-	15,675
TOTAL	\$ 893,114	\$ -	\$ -	\$ 893,114

Included in investment income are the following:

Interest and dividends	\$ 32,864
Unrealized gain	73,053
Realized gain	17,115
Management fees	(5,830)
TOTAL INVESTMENT INCOME, NET	\$ 117,202

3. CONTRIBUTIONS RECEIVABLE

As of December 31, 2020, contributors to the Organization have made written promises to give totaling \$737,077.

Pledges are due as follows at December 31, 2020:

Less than one year	\$ 687,077
One to five years	50,000
PLEDGES RECEIVABLE	\$ 737,077

4. FUNDING FROM THE PAYCHECK PROTECTION PROGRAM

On April 29, 2020, the Organization received loan proceeds in the amount of \$181,400 under the Paycheck Protection Program (PPP). Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note must be used for certain expenditures within a 24-week period to ultimately be forgiven by the Small Business Administration. During the year ended December 31, 2020, the Organization expended and tracked the PPP funds for purposes outlined in the CARES Act guidance and believes they have met all conditions set forth for full forgiveness. Accordingly, under guidance found in FASB ASC 958-605, the Organization has recognized the PPP funding as a conditional contribution by which all conditions have been met.

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

4. **FUNDING FROM THE PAYCHECK PROTECTION PROGRAM (Continued)**

On June 25, 2021, the Organization received forgiveness of their PPP loan by the Small Business Administration in the amount of \$181,400. There are no further requirements regarding this funding and the Organization has recorded grant revenue of \$181,400, which is included in Contributions on the accompanying Statement of Activities and Changes in Net Assets.

5. **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following at December 31, 2020:

Program services	\$ 127,810
Time restricted	<u>125,000</u>
NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 252,810</u>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses or through the passage of time which satisfied the restricted purposes specified by the donors:

Program services	\$ 185,871
Passage of time	<u>223,251</u>
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 409,122</u>

6. **CONTRIBUTED SERVICES AND MATERIALS**

During the year ended December 31, 2020, the Organization was the beneficiary of donated goods and services which allowed the Organization to provide greater resources toward various programs.

To properly reflect total program expenses, the following donations have been included in revenue and expense for the year ended December 31, 2020.

Donated food	\$ 363,490
Donated non-food items	151,295
Donated rent	409,415
Donated IT and accounting services	<u>29,700</u>
TOTAL	<u>\$ 953,900</u>

7. **LIQUIDITY**

Financial assets available for use within one year of the Statement of Financial Position comprise the following at December 31, 2020:

Cash and cash equivalents	\$ 1,844,445
Investments	893,114
Contributions receivable	687,077
Amounts unavailable for general expenditure within one year due to donor's restrictions	<u>(127,810)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 3,296,826</u>

THE SHEPHERD'S TABLE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

7. LIQUIDITY (Continued)

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and investments, which are for general expenditures, liabilities, and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. This is done through monitoring and reviewing the Organization's cash flow needs on a monthly basis. As a result, management is aware of the cyclical nature of the Organization's cash flow related to the Organization's various funding sources and is therefore able to ensure that cash is available to meet current liquidity needs. As part of its liquidity plan, excess cash is placed in various bank accounts and investment accounts to ensure they are protected under the FDIC limits. These accounts can be liquidated as needed therefore the investments are available to meet current cash flow needs.

8. RETIREMENT PLAN

The Organization provides retirement benefits to its employees through a defined contribution plan covering all full-time employees who are at least 21 years of age and have completed three consecutive months of service. The Organization provides discretionary matching contributions. Contributions to the plan during the year ended December 31, 2020 totaled \$5,124.

9. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 27, 2021, the date the financial statements were issued.