

FINANCIAL STATEMENTS



**FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2021**

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

Opinion

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, 2022, 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.

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, 2022, 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.

Basis for Opinion

We conducted our audit 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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.

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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, including omissions, 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 the Organization'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 the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 3, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



October 3, 2023

THE SHEPHERD'S TABLE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 697,541	\$ 2,601,912
Investments	2,449,742	1,315,541
Contributions receivable	136,987	141,616
Prepaid expenses	29,136	21,891
Deposits	<u>2,000</u>	<u>2,000</u>
Total current assets	<u>3,315,406</u>	<u>4,082,960</u>
FIXED ASSETS		
Furniture and equipment	223,503	172,992
Website development	<u>-</u>	<u>3,500</u>
	223,503	176,492
Less: Accumulated depreciation and amortization	<u>(86,174)</u>	<u>(68,528)</u>
Net fixed assets	<u>137,329</u>	<u>107,964</u>
TOTAL ASSETS	<u>\$ 3,452,735</u>	<u>\$ 4,190,924</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued liabilities	\$ 59,274	\$ 72,235
Accrued salaries and related benefits	<u>30,205</u>	<u>25,353</u>
Total liabilities	<u>89,479</u>	<u>97,588</u>

NET ASSETS

Without donor restrictions	3,320,233	3,969,255
With donor restrictions	<u>43,023</u>	<u>124,081</u>
Total net assets	<u>3,363,256</u>	<u>4,093,336</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,452,735</u>	<u>\$ 4,190,924</u>

THE SHEPHERD'S TABLE, INC.

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Contributions	\$ 1,336,505	\$ 203,241	\$ 1,539,746	\$ 2,066,890
Government grants	450,065	-	450,065	312,038
Workplace giving	92,974	-	92,974	116,222
Investment (loss) income, net	(323,809)	-	(323,809)	129,610
Contributed services and materials	864,120	-	864,120	845,980
Loss on sale of fixed assets	-	-	-	(4,262)
Net assets released from donor restrictions	<u>284,299</u>	<u>(284,299)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>2,704,154</u>	<u>(81,058)</u>	<u>2,623,096</u>	<u>3,466,478</u>
EXPENSES				
Program Services	<u>2,453,224</u>	<u>-</u>	<u>2,453,224</u>	<u>2,129,272</u>
Supporting Services:				
Management and General	537,441	-	537,441	414,480
Fundraising	<u>362,511</u>	<u>-</u>	<u>362,511</u>	<u>351,303</u>
Total supporting services	<u>899,952</u>	<u>-</u>	<u>899,952</u>	<u>765,783</u>
Total expenses	<u>3,353,176</u>	<u>-</u>	<u>3,353,176</u>	<u>2,895,055</u>
Change in net assets	(649,022)	(81,058)	(730,080)	571,423
Net assets at beginning of year	<u>3,969,255</u>	<u>124,081</u>	<u>4,093,336</u>	<u>3,521,913</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 3,320,233</u></u>	<u><u>\$ 43,023</u></u>	<u><u>\$ 3,363,256</u></u>	<u><u>\$ 4,093,336</u></u>

THE SHEPHERD'S TABLE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022				2021	
	Supporting Services			Total Supporting Services	Total Expenses	Total Expenses
	Program Services	Management and General	Fundraising			
Salaries and benefits	\$ 1,260,494	\$ 276,081	\$ 257,182	\$ 533,263	\$ 1,793,757	\$ 1,464,920
Food	498,929	4,956	522	5,478	504,407	528,258
Clothing and other supplies	201,648	2,415	154	2,569	204,217	147,915
Rent	321,417	47,780	65,152	112,932	434,349	421,698
Professional fees	9,028	76,323	1,800	78,123	87,151	64,907
Information technology	41,325	26,753	19,969	46,722	88,047	106,948
Meetings/conferences	8,712	170	-	170	8,882	2,621
Printing	1,895	11,633	15,692	27,325	29,220	24,933
Repairs and maintenance	74,093	16,055	-	16,055	90,148	46,422
Insurance	-	21,726	-	21,726	21,726	19,287
Physicians	13,557	-	-	-	13,557	13,842
Depreciation and amortization	-	21,146	-	21,146	21,146	18,381
Miscellaneous	590	21,976	491	22,467	23,057	7,463
Telephone	-	6,481	-	6,481	6,481	6,192
Postage and deliveries	-	219	1,111	1,330	1,330	1,388
Eye clinic - glasses and supplies	14,529	-	-	-	14,529	5,940
Security services	456	-	-	-	456	400
Prescriptions	2,702	-	-	-	2,702	3,693
Dues and memberships	-	1,724	333	2,057	2,057	5,298
Gifts	450	1,107	105	1,212	1,662	4,230
Travel	3,399	896	-	896	4,295	319
TOTAL	\$ 2,453,224	\$ 537,441	\$ 362,511	\$ 899,952	\$ 3,353,176	\$ 2,895,055

THE SHEPHERD'S TABLE, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (730,080)	\$ 571,423
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	21,146	18,381
Realized loss (gain) on sale of investments	51,326	(249,451)
Unrealized loss on investments	379,869	147,362
Receipt of donated securities	(66,055)	(14,754)
Sale of donated securities	67,674	15,199
Realized gain on sale of donated securities	(1,619)	(445)
Loss on disposal of fixed assets	-	4,262
Decrease (increase) in:		
Contributions receivable	4,629	595,461
Prepaid expenses	(7,245)	(7,291)
(Decrease) increase in:		
Accounts payable and accrued liabilities	(12,961)	31,922
Accrued salaries and related benefits	<u>4,852</u>	<u>6,661</u>
Net cash (used) provided by operating activities	<u>(288,464)</u>	<u>1,118,730</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(50,511)	(40,925)
Purchases of investments	(3,059,960)	(1,124,266)
Proceeds from sales of investments	<u>1,494,564</u>	<u>803,928</u>
Net cash used by investing activities	<u>(1,615,907)</u>	<u>(361,263)</u>
Net (decrease) increase in cash and cash equivalents	(1,904,371)	757,467
Cash and cash equivalents at beginning of year	<u>2,601,912</u>	<u>1,844,445</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 697,541</u>	<u>\$ 2,601,912</u>

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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, 2021, from which the summarized information was derived.

New accounting pronouncement adopted -

During the year ended December 31, 2022, the Organization adopted ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which improves generally accepted accounting principles in the United States (U.S. GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure.

THE SHEPHERD'S TABLE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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

New accounting pronouncements adopted (continued) -

The amendments in this Update address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities.

The ASU was adopted retrospectively and did not change the recognition and measurement requirements for those contributed nonfinancial assets.

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

Investments acquired by gift are recorded at their fair value at the date of the gift. The Organization's policy is to liquidate all gifts of investments as soon as possible after the gift.

Contributions receivable -

Contributions receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible within one year. 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.

Depreciation and amortization expense during the year ended December 31, 2022 totaled \$21,146.

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.

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

Uncertain tax positions -

For the year ended December 31, 2022, 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 and support -

The majority of the Organization's activities are supported by grants and contributions from the local government and other grantors. These awards are for various activities performed by the 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. 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 from obligation 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 \$167,000 in unrecognized awards as of December 31, 2022.

Workplace giving donations are donations without donor restrictions 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.

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

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

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.

Fair value measurement -

The Organization applies 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.

New accounting pronouncement (not yet adopted) -

Accounting Standard Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The ASU is effective for the Organization for the year ending December 31, 2023. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach.

The Organization plans to adopt the new ASU at the required implementation date and management is currently in the process of evaluating the adoption methods and the impact of the new standard on its accompanying financial statements.

THE SHEPHERD'S TABLE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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, 2022. There were no transfers between levels in the fair value hierarchy during the year ended December 31, 2022. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - Valued at the daily closing price as reported by the fund. The money market fund is an open-end fund that is registered with the Securities and Exchange Commission (SEC). This fund is required to publish its daily net asset value (NAV) and to transact at that price. The money market fund is deemed to be actively traded.
- *Mutual Stock Funds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual Bond 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.
- *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.

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, 2022.

Asset Class:	Level 1	Level 2	Level 3	Total
Mutual stock funds	\$ 1,159,897	\$ -	\$ -	\$ 1,159,897
Mutual bond funds	696,287	-	-	696,287
Exchange traded products	475,558	-	-	475,558
Money market funds	<u>118,000</u>	<u>-</u>	<u>-</u>	<u>118,000</u>
TOTAL	<u>\$ 2,449,742</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,449,742</u>

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. INVESTMENTS (Continued)

Included in investment loss, net are the following:

Interest and dividends	\$ 128,332
Unrealized loss	(379,869)
Realized loss	(51,326)
Management fees	<u>(20,946)</u>
TOTAL INVESTMENT LOSS, NET	\$ <u>(323,809)</u>

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2022:

Program Services	\$ <u>43,023</u>
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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	\$ 234,299
Passage of Time	<u>50,000</u>
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ <u>284,299</u>

4. CONTRIBUTED SERVICES AND MATERIALS

During the year ended December 31, 2022, the Organization was the beneficiary of donated goods and services which allowed the Organization to provide greater resources toward various programs. Contributed services and materials are valued at the estimated fair values based on their current rates for similar goods and services. There were no donor-imposed restrictions associated with the contributed services and materials. To properly reflect total program expenses, the following donations have been included in revenue and expense for the year ended December 31, 2022.

Donated food	\$ 273,608
Donated non-food items	112,033
Donated rent	434,349
Donated IT and accounting services	<u>44,130</u>
TOTAL	\$ <u>864,120</u>

The following programs have benefited from these donated services during the year ended December 31, 2022:

Program Services	\$ 751,188
Management and General	47,780
Fundraising	<u>65,152</u>
TOTAL	\$ <u>864,120</u>

THE SHEPHERD'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

5. LIQUIDITY

Financial assets available for use within one year of the Statement of Financial Position comprise the following at December 31, 2022:

Cash and cash equivalents	\$ 697,541
Investments	2,449,742
Contributions receivable	136,987
Amounts unavailable for general expenditure within one year due to donor's restrictions	<u>(43,023)</u>

**FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS
FOR GENERAL EXPENDITURES WITHIN ONE YEAR** **\$ 3,241,247**

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.

6. 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, 2022 totaled \$36,203.

7. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 3, 2023, the date the financial statements were issued.