

**MARIE WILKINSON FOOD PANTRY, INC.**

**FINANCIAL STATEMENTS**

**Years Ended December 31, 2020 and 2019**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Marie Wilkinson Food Pantry, Inc.

We have audited the accompanying financial statements of Marie Wilkinson Food Pantry, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years 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 audits. We conducted our audits 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 Marie Wilkinson Food Pantry, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Wieland & Company, Inc.*

Batavia, Illinois  
October 21, 2021

**MARIE WILKINSON FOOD PANTRY, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2020 and 2019**

**ASSETS**

	<u>2020</u>	<u>2019</u>
<b><u>CURRENT ASSETS</u></b>		
Cash	\$ 297,745	\$ 68,003
Unconditional Promises to Give	132,500	7,270
Food Inventory	71,909	80,851
Prepaid Expenses	<u>16,697</u>	<u>5,851</u>
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>518,851</b>	<b>161,975</b>
 <b><u>PROPERTY AND EQUIPMENT</u></b>		
Land and Improvements	260,860	260,860
Building and Improvements	453,819	412,090
Warehouse Equipment	59,555	59,067
Office Equipment	11,885	4,094
Vehicles	<u>68,286</u>	<u>66,686</u>
	854,405	802,797
Less Accumulated Depreciation	<u>(251,006)</u>	<u>(208,823)</u>
<b><u>NET PROPERTY AND EQUIPMENT</u></b>	<b>603,399</b>	<b>593,974</b>
 <b><u>TOTAL ASSETS</u></b>	<b>\$ <u>1,122,250</u></b>	<b>\$ <u>755,949</u></b>

**LIABILITIES AND NET ASSETS**

<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable and Accrued Expenses	\$ <u>7,986</u>	\$ <u>5,765</u>
<b><u>TOTAL LIABILITIES (All CURRENT)</u></b>	<b>7,986</b>	<b>5,765</b>
 <b><u>NET ASSETS</u></b>		
Without Donor Restrictions	<u>1,114,264</u>	<u>750,184</u>
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<b>\$ <u>1,122,250</u></b>	<b>\$ <u>755,949</u></b>

See Accompanying Notes to Financial Statements.

**MARIE WILKINSON FOOD PANTRY, INC.**

**STATEMENTS OF ACTIVITIES**

**Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<u>SUPPORT AND REVENUES (ALL WITHOUT DONOR RESTRICTIONS)</u>		
Contributions and Grants	\$ 666,234	\$ 169,125
Special Events, Net	38,940	71,395
Interest Income	31	84
Other	434	43
In Kind Donations		
Food	1,980,441	1,469,554
Facility	12,600	12,600
Other	7,290	850
	<u>2,705,970</u>	<u>1,723,651</u>
<u>TOTAL SUPPORT AND REVENUES</u>	2,705,970	1,723,651
<u>EXPENSES</u>		
Program Services	2,223,830	1,627,888
Supporting Services		
General and Administrative	70,020	49,697
Fundraising	48,040	32,404
	<u>2,341,890</u>	<u>1,709,989</u>
<u>TOTAL EXPENSES</u>	2,341,890	1,709,989
<u>INCREASE IN NET ASSETS</u>	364,080	13,662
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>750,184</u>	<u>736,522</u>
<u>NET ASSETS, END OF YEAR</u> \$	<u><u>1,114,264</u></u>	<u><u>750,184</u></u>

See Accompanying Notes to Financial Statements.

**MARIE WILKINSON FOOD PANTRY, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**Years Ended December 31, 2020 and 2019**

	Year Ended December 31, 2020			
	Support Services			Total 2020 Expenses
	Program Services	General and Administrative	Fundraising	
Accounting	\$ -	\$ 4,750	\$ -	\$ 4,750
Advertising and Promotion	20,262	-	16,578	36,840
Contracted Management	48,857	20,357	12,214	81,428
Depreciation	31,637	6,327	4,218	42,182
Facilities				
Rentals	9,450	1,890	1,260	12,600
Utilities	7,723	1,545	1,030	10,298
Food Costs	2,040,518	-	-	2,040,518
Insurance	15,597	3,119	2,080	20,796
Maintenance	7,441	17,858	4,465	29,764
Miscellaneous	642	1,540	385	2,567
Payroll				
Wages	14,990	2,998	1,999	19,987
Taxes	5,135	1,027	685	6,847
Printing and Postage	408	979	245	1,632
Security	1,337	267	178	1,782
Supplies				
Office and Operating	2,205	5,292	1,323	8,820
Warehouse	7,271	-	-	7,271
Telephone and Internet	782	156	104	1,042
Vehicles	4,783	957	637	6,377
Volunteers	4,792	958	639	6,389
	<u>\$ 2,223,830</u>	<u>\$ 70,020</u>	<u>\$ 48,040</u>	<u>\$ 2,341,890</u>

(Continued)

**MARIE WILKINSON FOOD PANTRY, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES (Continued)**

**Years Ended December 31, 2020 and 2019**

	Year Ended December 31, 2019			
	Program Services	Support Services		Total 2019 Expenses
		General and Administrative	Fundraising	
Accounting	\$ —	\$ 3,000	\$ —	\$ 3,000
Advertising and Promotion	10,468	—	8,565	19,033
Contracted Management	48,787	20,328	12,196	81,311
Depreciation	29,567	5,913	3,942	39,422
Facilities				
Rentals	9,450	1,890	1,260	12,600
Utilities	7,817	1,563	1,043	10,423
Other	—	—	—	—
Food Costs	1,500,157	—	—	1,500,157
Insurance	5,091	1,018	679	6,788
Legal Fees	—	600	—	600
Maintenance	3,103	7,446	1,861	12,410
Miscellaneous	836	2,007	502	3,345
Printing and Postage	811	1,946	487	3,244
Security	860	172	115	1,147
Supplies				
Office and Operating	789	1,893	473	3,155
Warehouse	542	—	—	542
Telephone and Internet	752	150	100	1,002
Vehicles	5,826	1,165	777	7,768
Volunteers	3,032	606	404	4,042
	<u>\$ 1,627,888</u>	<u>\$ 49,697</u>	<u>\$ 32,404</u>	<u>\$ 1,709,989</u>

See Accompanying Notes to Financial Statements

**MARIE WILKINSON FOOD PANTRY, INC.**

**STATEMENTS OF CASH FLOWS**

**Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Increase in Net Assets	\$ 364,080	\$ 13,662
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided By Operating Activities:		
Depreciation	42,183	39,422
Decrease (Increase) in Assets:		
Grants Receivable	(7,500)	–
Unconditional Promises to Give	(117,730)	20,730
Food Inventory	8,942	10,149
Prepaid Expenses	(10,846)	2,760
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	2,221	1,148
Accrued Real Estate Taxes	–	(518)
	<u>281,350</u>	<u>87,353</u>
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	<b>281,350</b>	<b>87,353</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Cash Payments for Property and Equipment	<u>(51,608)</u>	<u>(81,286)</u>
	<u>(51,608)</u>	<u>(81,286)</u>
<b><u>NET CASH USED IN INVESTING ACTIVITIES</u></b>	<b>(51,608)</b>	<b>(81,286)</b>
	<b>229,742</b>	<b>6,067</b>
<b><u>NET INCREASE IN CASH</u></b>	<b>229,742</b>	<b>6,067</b>
<b><u>CASH AT BEGINNING OF YEAR</u></b>	<b>68,003</b>	<b>61,936</b>
	<b>297,745</b>	<b>68,003</b>
<b><u>CASH AT END OF YEAR</u></b>	<b>\$ <u>297,745</u></b>	<b>\$ <u>68,003</u></b>
<b><u>SUPPLEMENTARY DISCLOSURES</u></b>		
Cash Paid for Interest Expense	<u>\$ –</u>	<u>\$ –</u>

See Accompanying Notes to Financial Statements.



**MARIE WILKINSON FOOD PANTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2020 and 2019**

**NOTE A - NATURE OF ACTIVITIES**

The Marie Wilkinson Food Pantry, Inc. (The Organization) is an Illinois not-for-profit corporation. The mission of the Organization is to serve the nutritional needs of children, the elderly, low income residents, and the disabled in the Kane County area. The Organization operates two pantries in Aurora, Illinois.

The Organization is supported primarily by food donations from area grocery stores, the Northern Illinois Food Bank and other businesses and institutions. Cash grants and donations are provided by the City of Aurora, Kane County, area churches and numerous businesses, individuals, foundations and not-for-profit organizations.

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

**Basis of Presentation**

The accompanying financial statements report the assets, liabilities, revenues and expenses of the Organization using the accrual basis of accounting. The Organization reports information regarding its financial position, activities, grants and contributions received, if any, according to two classes of net assets: without donor restrictions and with donor restrictions. At December 31, 2020 and 2019, there were no net assets with donor restrictions; all assets are classified as net assets without donor restrictions.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 2020 and 2019, there were no cash equivalents.

**Revenue Recognition**

Grants, gifts and member contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities. Restricted contributions are reported as increases in assets without donor restrictions if the restrictions expire in the fiscal year in which the contribution is recognized. Promises to give are recognized as support when any condition on which they depend are substantially met. Management provides for uncollectible promises to give using the allowance method. However, an allowance was not warranted at December 31, 2020 and 2019.

**In-Kind Contributions of Goods and Services**

Contributions of food and other noncash assets are recorded at their estimated fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**Food Inventory**

Food inventory on hand is valued at cost or its estimated fair value at the time of donation.

**Capitalization and Depreciation**

The land, buildings and other purchased improvements and equipment are recorded at cost and capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation.

**MARIE WILKINSON FOOD PANTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 2020 and 2019**

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capitalization and Depreciation (Continued)**

Depreciation is provided for using the straight-line method in amounts sufficient to relate the cost or capitalized values of depreciable assets to operations over their estimated service lives. The estimated service life of the assets for depreciation purposes may be different than their actual economic useful lives.

	<u>Estimated Life</u>
Land Improvements	5 – 15 years
Building and Improvements	39 years
Warehouse Equipment	7 years
Office Equipment	5 – 7 years
Vehicles	7 years

Depreciation expense totaled \$42,182 and \$39,422 during the years ended December 31, 2020 and 2019, respectively.

**Income Taxes**

The Organization is tax exempt under Internal Revenue Code Section 501(c)(3). Income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. There were no taxes incurred for unrelated business activities during the year ended December 31, 2020 and 2019.

The financial statement effects of a tax position taken or expected to be taken are recognized when it is more likely than not, based on technical merits, that the position will be sustained upon examination. As of December 31, 2020 and 2019, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

**Functional Allocation of Expenses**

The costs of providing the Organization's programs and supporting services are summarized on a functional basis in the statement of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited.

**Special Events**

Special events revenue is stated net of the direct costs of providing donor benefits of \$8,748 and \$24,272 during the years ended December 31, 2020 and 2019, respectively.

**Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Management's Review**

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

**MARIE WILKINSON FOOD PANTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 2020 and 2019**

**NOTE C – IN KIND CONTRIBUTIONS**

**Food**

During the years ended December 31, 2020 and 2019, respectively, the Organization distributed over 1,396,500 and 970,000 pounds of food to individuals and families it serves. During the years ended December 31, 2020 and 2019, respectively, approximately 1,152,000 and 870,000 pounds were donated to the Organization by area businesses and institutions. During 2019, food donations were valued at an estimated fair value of \$1.68 per pound until July, when donations were valued at an estimated fair value of \$1.62 per pound for the rest of 2019. During 2020, food donations were valued at an estimated fair value of \$1.62 per pound until July, when donations were valued at an estimated fair value of \$1.74 per pound for the rest of 2020.

**Facilities**

The Organization operates its east side pantry from donated facilities located in the East Aurora High School. The space consists of approximately 1,400 square feet. The facilities are valued at \$9 per square foot or \$12,600 annually. This amount is recorded as an in-kind contribution and corresponding rent expense.

**Volunteers**

The Organization is able to operate through the countless hours provided by numerous unpaid volunteers. No amounts have been recognized in the financial statements for the value of such volunteer efforts because the criteria for recognition under accounting principles generally accepted in the United States of America have not been met.

**NOTE D – LIQUIDITY OF ASSETS**

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization maintains financial assets on hand to meet a minimum of five months of normal operating expense.

Financial assets at year-end of \$422,745 consist of cash of \$297,745 and unconditional promises to give of \$125,000. The unconditional promises to give are subject to implied time restrictions but are expected to be collected within one year.

**NOTE E – COVID-19**

The Organization has taken a number of measures to monitor and mitigate the effects of Covid-19. At this stage the impact on the Organization's operations has not been significant. Significant uncertainty remains around the breadth and duration of the effects of Covid-19 and, as such, the Organization is unable to determine if it will have a material impact to its operations in future years.