

**MARIE WILKINSON FOOD PANTRY, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021 AND 2020**



**Wieland Wallace Inc**  
Certified Public Accountants

**MARIE WILKINSON FOOD PANTRY, INC.**

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## **Independent Auditor's Report**

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

### **Opinion**

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, 2021 and 2020, and the related statements of activities and cash flows for the years 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 Marie Wilkinson Food Pantry, Inc. as of December 31, 2021 and 2020, 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.

### **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 Marie Wilkinson Food Pantry, Inc. 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 Marie Wilkinson Food Pantry, Inc.'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. 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 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 Marie Wilkinson Food Pantry, Inc.'s internal control. Accordingly, no such opinion is expressed.

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

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- 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 Marie Wilkinson Food Pantry, Inc.'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.

*Wieland Wallace Inc.*

August 8, 2022

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**MARIE WILKINSON FOOD PANTRY, INC.****STATEMENTS OF FINANCIAL POSITION**

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	<u>ASSETS</u>	
	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 508,373	\$ 297,745
Unconditional Promises to Give	-	132,500
Food Inventory	49,389	71,909
Prepaid Expenses	19,525	16,697
	<hr/>	<hr/>
<u>TOTAL CURRENT ASSETS</u>	577,287	518,851
 <u>PROPERTY AND EQUIPMENT</u>		
Land and Improvements	278,139	260,860
Building and Improvements	473,142	453,819
Warehouse Equipment	74,509	59,555
Office Equipment	11,885	11,885
Vehicles	112,945	68,286
	<hr/>	<hr/>
	950,620	854,405
Less Accumulated Depreciation	(300,902)	(251,006)
	<hr/>	<hr/>
<u>NET PROPERTY AND EQUIPMENT</u>	649,718	603,399
 <u>OTHER ASSETS</u>		
<u>BENEFICIAL INTEREST IN ASSETS HELD BY THE COMMUNITY FOUNDATION OF THE FOX RIVER VALLEY</u>	1,115	-
	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	\$ 1,228,120	\$ 1,122,250
	<hr/>	<hr/>
<u>LIABILITIES AND NET ASSETS</u>		
 <u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Expenses	\$ 1,795	\$ 7,986
	<hr/>	<hr/>
<u>TOTAL LIABILITIES (ALL CURRENT)</u>	1,795	7,986
 <u>NET ASSETS</u>		
Without Donor Restrictions	1,226,325	1,114,264
	<hr/>	<hr/>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 1,228,120	\$ 1,122,250
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**MARIE WILKINSON FOOD PANTRY, INC.****STATEMENTS OF ACTIVITIES**

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	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>SUPPORT AND REVENUES (ALL WITHOUT DONOR</u>		
<u>RESTRICTIONS)</u>		
Contributions and Grants	\$ 581,272	\$ 666,234
Special Events, Net	20,095	38,940
Interest Income	51	31
Other	2,125	434
In Kind Donations		
Food	2,003,952	1,980,441
Facility	13,500	12,600
Other	2,045	7,290
	<u>2,623,040</u>	<u>2,705,970</u>
<u>TOTAL SUPPORT AND REVENUES</u>	<u>2,623,040</u>	<u>2,705,970</u>
 <u>EXPENSES</u>		
Program Services	2,332,639	2,223,830
Supporting Services		
General and Administrative	114,733	70,020
Fundraising	63,607	48,040
	<u>2,510,979</u>	<u>2,341,890</u>
<u>TOTAL EXPENSES</u>	<u>2,510,979</u>	<u>2,341,890</u>
<u>INCREASE IN NET ASSETS</u>	<u>112,061</u>	<u>364,080</u>
 <u>NET ASSETS, BEGINNING OF YEAR</u>	<u>1,114,264</u>	<u>750,184</u>
 <u>NET ASSETS, END OF YEAR</u> \$	<u><u>1,226,325</u></u>	<u><u>1,114,264</u></u>

**MARIE WILKINSON FOOD PANTRY, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**

	December 31, 2021			
	Program Services	Support Services		Total 2021 Expenses
		General and Administrative	Fundraising	
Accounting	\$ -	\$ 3,150	\$ -	\$ 3,150
Advertising and Promotion	17,478	-	14,300	31,778
Contracted Management	32,961	13,734	8,240	54,935
Depreciation	37,422	7,484	4,990	49,896
Facilities				
Rentals	10,126	2,025	1,349	13,500
Utilities	8,664	1,733	1,155	11,552
Food Costs	2,052,313	-	-	2,052,313
Insurance	12,645	2,529	1,686	16,860
Maintenance	16,745	40,187	10,046	66,978
Miscellaneous	1,304	3,129	782	5,215
Payroll				
Wages	107,999	21,600	14,400	143,999
Taxes	8,944	1,789	1,193	11,926
Printing and Postage	2,444	5,866	1,467	9,777
Security	1,302	260	174	1,736
Supplies				
Office and Operating	3,672	8,814	2,204	14,690
Warehouse	6,459	-	-	6,459
Telephone and Internet	1,863	373	248	2,484
Vehicles	8,818	1,764	1,176	11,758
Volunteers	1,480	296	197	1,973
	<u>\$ 2,332,639</u>	<u>\$ 114,733</u>	<u>\$ 63,607</u>	<u>\$ 2,510,979</u>



**MARIE WILKINSON FOOD PANTRY, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES (Continued)**

	December 31, 2020			
	Program Services	Support Services		Total 2020 Expenses
		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>

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**MARIE WILKINSON FOOD PANTRY, INC.****STATEMENTS OF CASH FLOWS**

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	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Increase in Net Assets	\$ 112,061	\$ 364,080
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided By Operating Activities:		
Depreciation	49,896	42,183
Decrease (Increase) in Assets:		
Grants Receivable	7,500	(7,500)
Unconditional Promises to Give	125,000	(117,730)
Food Inventory	22,520	8,942
Prepaid Expenses	(2,828)	(10,846)
Beneficial interest in assets held by Community Foundation of the Fox River Valley	(1,115)	-
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(6,191)	2,221
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	<b>306,843</b>	281,350
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Cash Payments for Property and Equipment	(96,215)	(51,608)
<b><u>NET CASH USED IN INVESTING ACTIVITIES</u></b>	<b>(96,215)</b>	(51,608)
<b><u>NET INCREASE IN CASH</u></b>	<b>210,628</b>	229,742
<b><u>CASH AT BEGINNING OF YEAR</u></b>	<b>297,745</b>	68,003
<b><u>CASH AT END OF YEAR</u></b> \$	<b>508,373</b>	\$ 297,745

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## MARIE WILKINSON FOOD PANTRY, INC.

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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#### NOTE 1 - 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 2 - 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, 2021 and 2020, 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, 2021 and 2020, 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, 2021 and 2020.

##### 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.

## **MARIE WILKINSON FOOD PANTRY, INC.**

Notes to Financial Statements (Continued)

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### 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.

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 \$49,896 and \$42,182 during the years ended December 31, 2021 and 2020, 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, 2021 and 2020.

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, 2021, and 2020, 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 \$10,392 and \$8,748 during the years ended December 31, 2021 and 2020, 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)

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### NOTE 3 – IN KIND CONTRIBUTIONS

#### Food

During the years ended December 31, 2021 and 2020, respectively, the Organization distributed over 1,540,000 and 1,396,500 pounds of food to individuals and families it serves. During the years ended December 31, 2021 and 2020, respectively, approximately 1,142,000 and 1,152,000 pounds were donated to the Organization by area businesses and institutions. During 2021, food donations were valued at an estimated fair value of \$1.74 per pound.

#### 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 4 – 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 \$508,373 consist of cash of \$508,373.

### NOTE 5 – 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.

### NOTE 6 – BENEFICIAL INTEREST IN ASSETS HELD AT COMMUNITY FOUNDATION

Assets that have been placed by the Organization with a community foundation for which the Organization has specified itself as the beneficiary of the assets are stated at their estimated fair value. Distributions received from the foundations are recorded as unrestricted investment income as received.

Donor designated funds collected directly by the community foundations from donors for the benefit of the Organization are not recognized as assets by the Organization. Distributions received from the Community Foundations for these funds are recognized by the Organization as donations when received.