

FINANCIAL STATEMENTS



**FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2017**

THE SHEPHERD'S TABLE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Shepherd's Table
Washington, D.C.

We have audited the accompanying financial statements of The Shepherd's Table (the Organization), which comprise the statement of financial position as of December 31, 2018, 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, 2018, 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.

4550 MONTGOMERY AVENUE • SUITE 650 NORTH • BETHESDA, MARYLAND 20814
(301) 951-9090 • FAX (301) 951-3570 • WWW.GRFCPA.COM

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Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the Organization's 2017 financial statements, which were audited by other auditors and, in their report dated July 18, 2018, they expressed an unmodified opinion on those statements.

Gelman Rosenberg & Freedman

April 24, 2019

THE SHEPHERD'S TABLE
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017

ASSETS

CURRENT ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 947,144	\$ 676,717
Investments	658,771	692,626
Contributions receivable	65,055	134,563
Pledges receivable, net	28,232	196,108
Prepaid expenses	13,881	8,558
Deposits	<u>2,000</u>	<u>2,000</u>
Total current assets	<u>1,715,083</u>	<u>1,710,572</u>
 FIXED ASSETS		
Furniture and equipment	83,206	83,206
Less: Accumulated depreciation	<u>(68,740)</u>	<u>(60,720)</u>
Net fixed assets	<u>14,466</u>	<u>22,486</u>
 TOTAL ASSETS	 <u>\$ 1,729,549</u>	 <u>\$ 1,733,058</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued liabilities	\$ 17,663	\$ 12,277
Accrued salaries and related benefits	<u>3,462</u>	<u>2,500</u>
Total liabilities	<u>21,125</u>	<u>14,777</u>

NET ASSETS

Without donor restrictions	1,629,897	1,500,735
With donor restrictions	<u>78,527</u>	<u>217,546</u>
Total net assets	<u>1,708,424</u>	<u>1,718,281</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,729,549</u>	 <u>\$ 1,733,058</u>

THE SHEPHERD'S TABLE

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017**

	2018			2017
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Grants and contributions	\$ 954,496	\$ 82,652	\$ 1,037,148	\$ 987,976
Government grants	220,553	-	220,553	259,228
Workplace giving	32,835	-	32,835	49,140
Investment (loss) income, net	(27,279)	-	(27,279)	91,457
Contributed services and materials	1,426,084	-	1,426,084	1,071,851
Loss on sale of fixed assets	-	-	-	(1,064)
Net assets released from donor restrictions	<u>202,663</u>	<u>(202,663)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>2,809,352</u>	<u>(120,011)</u>	<u>2,689,341</u>	<u>2,458,588</u>
EXPENSES				
Program Services	<u>2,381,646</u>	<u>-</u>	<u>2,381,646</u>	<u>1,950,451</u>
Supporting Services:				
Management and General	109,910	-	109,910	250,002
Fundraising	<u>188,634</u>	<u>-</u>	<u>188,634</u>	<u>263,871</u>
Total supporting services	<u>298,544</u>	<u>-</u>	<u>298,544</u>	<u>513,873</u>
Total expenses	<u>2,680,190</u>	<u>-</u>	<u>2,680,190</u>	<u>2,464,324</u>
Change in net assets before other item	129,162	(120,011)	9,151	(5,736)
OTHER ITEM				
Uncollectible pledges	<u>-</u>	<u>(19,008)</u>	<u>(19,008)</u>	<u>-</u>
Change in net assets	129,162	(139,019)	(9,857)	(5,736)
Net assets at beginning of year	<u>1,500,735</u>	<u>217,546</u>	<u>1,718,281</u>	<u>1,724,017</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,629,897</u>	<u>\$ 78,527</u>	<u>\$ 1,708,424</u>	<u>\$ 1,718,281</u>

THE SHEPHERD'S TABLE

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017**

	2018				2017	
	Supporting Services			Total Supporting Services	Total Expenses	Total Expenses
	Program Services	Management and General	Fundraising			
Salaries and benefits	\$ 676,780	\$ 67,867	\$ 147,917	\$ 215,784	\$ 892,564	\$ 985,314
Clothing and other supplies	636,705	-	-	-	636,705	377,410
Food	545,719	135	-	135	545,854	454,120
Rent	385,724	-	-	-	385,724	374,490
Professional fees	500	56,138	12,906	69,044	69,544	54,652
Repairs and maintenance	22,405	3,666	-	3,666	26,071	22,180
Printing	5,289	4,324	11,594	15,918	21,207	18,163
Meetings/conferences	18,837	708	1,532	2,240	21,077	2,950
Security services	15,280	960	-	960	16,240	-
Insurance	-	13,052	-	13,052	13,052	22,819
Miscellaneous	7,205	1,167	1,880	3,047	10,252	56,148
Depreciation	-	8,020	-	8,020	8,020	9,516
Information technology	3,064	1,532	2,220	3,752	6,816	9,310
Telephone	-	5,756	-	5,756	5,756	3,854
Dues and memberships	1,000	3,692	-	3,692	4,692	6,649
Physicians	5,857	-	-	-	5,857	-
Tokens	3,625	-	-	-	3,625	2,817
Prescriptions	3,621	-	-	-	3,621	6,240
Eye clinic - glasses and supplies	1,918	-	-	-	1,918	11,800
Gifts	505	341	-	341	846	1,332
Travel	202	547	-	547	749	3,581
Moving/new location expenses	-	-	-	-	-	13,537
Eye doctor fees	-	-	-	-	-	10,578
Food - supporting	-	-	-	-	-	11,805
Maintenance - copier/phone	-	-	-	-	-	4,969
Advertising/promotion	-	-	-	-	-	90
Subtotal	2,334,236	167,905	178,049	345,954	2,680,190	2,464,324
Allocation of management and general	47,410	(57,995)	10,585	(47,410)	-	-
TOTAL	\$ 2,381,646	\$ 109,910	\$ 188,634	\$ 298,544	\$ 2,680,190	\$ 2,464,324

THE SHEPHERD'S TABLE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (9,857)	\$ (5,736)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,020	9,516
Realized gain	(3,695)	(6,187)
Unrealized loss (gain)	63,026	(56,871)
Change in allowance for bad debt	(11,654)	2,554
Loss on sale of fixed assets	-	1,064
Decrease (increase) in:		
Contributions receivable	69,508	71,102
Pledges receivable, net	179,530	176,215
Prepaid expenses	(5,323)	2,131
Interest and dividends receivable	-	229
Deposits	-	(2,000)
Other assets	-	486
Increase (decrease) in:		
Accounts payable and accrued liabilities	5,386	3,452
Deferred income/revenue	-	(25,000)
Accrued salaries and related benefits	<u>962</u>	<u>(33,945)</u>
Net cash provided by operating activities	<u>295,903</u>	<u>137,010</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	-	(2,276)
Purchases of investments	(68,250)	(11,557)
Proceeds from sales of investments	<u>42,774</u>	<u>42,181</u>
Net cash (used) provided by investing activities	<u>(25,476)</u>	<u>28,348</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital lease obligation	<u>-</u>	<u>(1,795)</u>
Net cash used by financing activities	<u>-</u>	<u>(1,795)</u>
Net increase in cash and cash equivalents	270,427	163,563
Cash and cash equivalents at beginning of year	<u>676,717</u>	<u>513,154</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 947,144</u>	<u>\$ 676,717</u>
SCHEDULE OF NONCASH INVESTING AND FINANCING TRANSACTIONS		
Donated Securities	<u>\$ 10,532</u>	<u>\$ 11,670</u>

See accompanying notes to financial statements.

THE SHEPHERD'S TABLE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Shepherd's Table (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 the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14 *Presentation of Financial Statements for Not-for-Profit Entities*. The ASU was adopted for the year ended December 31, 2018 and applied retrospectively.

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, 2017, 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. Interests, dividends, realized and unrealized gains and losses (including management fees) are included in investment (loss) income in the Statement of Activities and Change in Net Assets.

Contributions and pledges receivable -

Contributions and pledges 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. Fixed assets are 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. Depreciation expense during the year ended December 31, 2018 totaled \$8,020.

THE SHEPHERD'S TABLE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

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

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, 2018, 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.

Net asset classification -

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions are recorded as net assets without donor restrictions. Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors (or certain grantors) 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 restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

Grants and contributions -

Grants and contributions are recorded as revenue in the year notification is received from the donor. Grants and contributions with 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. Such funds in excess of expenses incurred are shown as net assets with donor restriction in the accompanying financial statements.

The Organization receives funding under grants and contracts from local government and other grantors for direct and indirect program costs. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs. Accordingly, such grants are considered exchange transactions and are recorded as income without donor restrictions to the extent that related expenses are incurred in compliance with the criteria stipulated in the grant agreements.

THE SHEPHERD'S TABLE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

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

Grants and contributions (continued) -

Contributions and pledges receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the grant agreements.

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.

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.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

THE SHEPHERD'S TABLE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

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

Reclassification (continued) -

The reclassifications are primarily due to the adoption of Accounting Standards Update 2016-14, as discussed above, which requires two classifications of net assets from the previously presented three classes.

Net assets previously classified as of December 31, 2017 as unrestricted net assets in the amount of \$1,500,735, are now classified as without donor restrictions. Net assets previously classified as temporarily restricted net assets in the amount of \$217,546, are now classified as net assets with donor restrictions.

New accounting pronouncements (not yet adopted) -

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). The ASU establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The guidance states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year; thus, the effective date is fiscal years beginning after December 15, 2018. Early adoption is permitted. The Organization has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on its financial statements.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which is intended to clarify and improve current guidance about whether a transfer of assets is an exchange transaction or a contribution. The amendments in this ASU provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (for example, Topic 606). The amendments also provide additional guidance about how to determine whether a contribution is conditional or unconditional. The amendments in this ASU could result in more grants and contracts being accounted for as contributions than under previous GAAP. The ASU recommends application on a modified prospective basis; however, retrospective application is permitted. The Organization has not yet decided on a transition method. The ASU is effective for fiscal years beginning after December 15, 2018.

The Organization plans to adopt the new ASUs at the respective required implementation dates.

2. INVESTMENTS

Investments consisted of the following as of December 31, 2018:

	<u>Fair Value</u>
Stock funds	\$ 174,645
Corporate bonds	295,006
Exchange traded products	<u>189,120</u>
TOTAL INVESTMENTS	<u>\$ 658,771</u>

THE SHEPHERD'S TABLE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. INVESTMENTS (Continued)

Included in investment loss are the following:

Interest and dividends	\$ 37,412
Unrealized loss	(63,026)
Realized gain	3,695
Management fees	<u>(5,360)</u>
TOTAL INVESTMENT LOSS	<u>\$ (27,279)</u>

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, 2018. There were no transfers between levels in the fair value hierarchy during the year ended December 31, 2018. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Common stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Corporate bonds* - Valued at the closing price reported in the active market in which the individual securities are traded.
- *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.
- *Certificates of deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

2. INVESTMENTS (Continued)

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, 2018.

	Level 1	Level 2	Level 3	Total December 31, 2018
Asset Class:				
Stock funds	\$ 174,645	\$ -	\$ -	\$ 174,645
Corporate bonds	295,006	-	-	295,006
Exchange traded products	189,120	-	-	189,120
TOTAL	\$ 658,771	\$ -	\$ -	\$ 658,771

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2018:

Purpose Restricted	\$ 50,296
Time Restricted	28,231

NET ASSETS WITH DONOR RESTRICTIONS **\$ 78,527**

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:

Purpose Restricted	\$ 42,141
Passage of time	160,522

NET ASSETS RELEASED FROM DONOR RESTRICTIONS **\$ 202,663**

4. CONTRIBUTED SERVICES AND MATERIALS

During the year ended December 31, 2018, 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, 2018.

Donated food	\$ 425,130
Donated non-food items	609,230
Donated rent	385,724
Donated accounting services	6,000

TOTAL **\$ 1,426,084**

THE SHEPHERD'S TABLE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

5. LIQUIDITY

Financial assets available for use within one year of the Statement of Financial Position, comprise the following at December 31, 2018:

Cash and cash equivalents	\$ 947,144
Contributions receivable	65,055
Pledges receivable	28,232
Investments	658,771
Amounts unavailable for general expenditure within one year due to donor's restrictions	<u>(50,296)</u>

**FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS
FOR GENERAL EXPENDITURES WITHIN ONE YEAR** **\$ 1,648,906**

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. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 24, 2019, the date the financial statements were issued.