

**Northfield Township Food Pantry  
Glenview, Illinois**

**Annual Financial Report**

For the years ended  
**February 28, 2019 and 2018**



**KLEIN HALL**

**NORTHFIELD TOWNSHIP FOOD PANTRY**

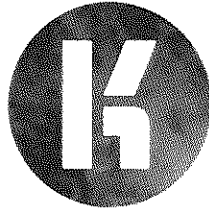
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**KLEIN HALL**

*Independent Auditor's Report*

Board of Directors  
Northfield Township Food Pantry  
Glenview, Illinois

We have audited the accompanying basic financial statements of the Northfield Township Food Pantry (the Pantry), which comprise the statement of financial position as of February 28, 2019 and 2018, and the related statements of activities, function 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 opinions 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 Pantry'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 Pantry'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 Northfield Township Food Pantry, as of February 28, 2019 and 2018, 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.

**Emphasis of Matter**

As discussed in Note 1, these basic financial statements present only the Northfield Township Food Pantry and are not intended to present fairly the financial position and changes in financial position of Northfield Township, in accordance with accounting principles generally accepted in the United States of America.

*Klein Hall CPAs*

Klein, Hall CPAs  
Aurora, Illinois  
October 1, 2019

**NORTHFIELD TOWNSHIP FOOD PANTRY**

Statements of Financial Position

February 28, 2019 and 2018

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	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 627,299	\$ 495,605
Inventory - gift cards	3,539	1,951
Due from town	385	-
	<hr/>	
Total Assets	<u>\$ 631,223</u>	<u>\$ 497,556</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,108	\$ 1,704
Due to town	11,322	-
	<hr/>	
Total Liabilities	<u>14,430</u>	<u>1,704</u>
<b>Net Assets</b>		
Without donor restrictions	<u>616,793</u>	<u>495,852</u>
	<hr/>	
Total Net Assets	<u>616,793</u>	<u>495,852</u>
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<b>Total Liabilities and Net Assets</b>	<u>\$ 631,223</u>	<u>\$ 497,556</u>

See accompanying notes to financial statements

**NORTHFIELD TOWNSHIP FOOD PANTRY**  
**Statements of Activities**  
**For the years ended February 28, 2019 and 2018**

	2019	2018
<b>Revenues, Gains, and Other Support</b>		
Contributions		
Donations	\$ 334,201	\$ 325,032
Township funding	82,750	83,000
Fundraising	32,707	27,946
Unrestricted grant	23,091	-
Other	380	50
	<u>473,129</u>	<u>436,028</u>
<b>Expenses</b>		
Program services	245,962	256,860
Management and general	90,451	104,455
Fundraising	15,775	11,617
	<u>352,188</u>	<u>372,932</u>
Change in net assets	120,941	63,096
Net assets, beginning of year	495,852	432,756
<b>Net assets, end of year</b>	<u><u>\$ 616,793</u></u>	<u><u>\$ 495,852</u></u>

*See accompanying notes to financial statements*

**NORTHFIELD TOWNSHIP FOOD PANTRY**  
**Statements of Cash Flows**  
**For the years ended February 28, 2019 and 2018**

	2019	2018
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 120,941	\$ 63,096
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	(385)	-
(Increase) decrease in inventory - gift cards	(1,588)	(939)
Increase (decrease) in accounts payable	12,726	(8,171)
Net cash used by operating activities	131,694	53,986
Net increase in cash	131,694	53,986
Cash and cash equivalents, beginning of year	495,605	441,619
<b>Cash and cash equivalents, end of year</b>	<b>\$ 627,299</b>	<b>\$ 495,605</b>

*See accompanying notes to financial statements*



**NORTHFIELD TOWNSHIP FOOD PANTRY**  
 Statements of Functional Expenses  
 For the years ended February 28, 2019 and 2018

	2019			
	Program Services	Management and General	Fundraising	Total Expenses
Bank and credit card fees	\$ -	\$ 2,028	\$ -	\$ 2,028
Education and training	-	85	-	85
Equipment	-	5,204	-	5,204
Food purchases	175,482	-	-	175,482
Fundraising	-	-	15,775	15,775
Holiday programs	70,480	-	-	70,480
Insurance	-	240	-	240
Legal and audit	-	328	-	328
Miscellaneous	-	289	-	289
Outreach and promotions	-	1,300	-	1,300
Postage and mailing	-	225	-	225
Printing and photocopying	-	54	-	54
Rent	-	24,000	-	24,000
Salaries	-	41,250	-	41,250
Software and IT support	-	3,905	-	3,905
Special assistance	-	1,368	-	1,368
Supplies	-	7,116	-	7,116
Travel	-	59	-	59
Utilities	-	3,000	-	3,000
<b>Total expenses</b>	<b>\$ 245,962</b>	<b>\$ 90,451</b>	<b>\$ 15,775</b>	<b>\$ 352,188</b>

*See accompanying notes to financial statements*

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2018

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Program Services	Management and General	Fundraising	Total Expenses
\$ -	\$ 2,230	\$ -	\$ 2,230
-	-	-	-
-	12,828	-	12,828
197,642	-	-	197,642
-	-	11,617	11,617
59,218	-	-	59,218
-	-	-	-
-	1,589	-	1,589
-	101	-	101
-	-	-	-
-	1,350	-	1,350
-	-	-	-
-	24,000	-	24,000
-	55,000	-	55,000
-	-	-	-
-	-	-	-
-	3,357	-	3,357
-	-	-	-
-	4,000	-	4,000
<hr/>	<hr/>	<hr/>	<hr/>
\$ 256,860	\$ 104,455	\$ 11,617	\$ 372,932

See accompanying notes to financial statements

## NORTHFIELD TOWNSHIP FOOD PANTRY

Notes to Financial Statements

February 28, 2019 and 2018

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Description of Organization

The Northfield Township Food Pantry (the Pantry) was started close to 50 years ago to assist Township residents who are unable to provide enough food for themselves and their families.

In April 2003, the Pantry became a 501c3 organization and an agency of the Greater Chicago Food Depository and has since received recognition awards from the Depository three times. Today many hundreds of Township families are eligible to visit the Pantry to receive perishable and non-perishable food items and grocery store cards monthly, and to participate in special holiday distributions of food items and grocery store cards three times annually. There are other special programs throughout the year.

No tax dollars are used to supply the Pantry. The Pantry is sustained by residents, civic organizations, schools, businesses and the faith community who generously donate food items, grocery store cards and cash. Volunteer labor does the vast majority of Pantry work.

The Pantry's mission is simple: ***Hunger is Unacceptable in Our Community.***

The Pantry is an Illinois not-for-profit corporation and is governed by a six-member board appointed by the Township Board. The facility that houses the Pantry is owned by the Township.

The significant accounting policies of the Pantry are presented below to assist the reader in evaluating the financial statements.

#### b. Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with generally accepted accounting principles and accordingly reflects receivables, payables, and other liabilities.

The Pantry is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions.

Net assets with donor restrictions – Net assets subject to donor or grant-imposed restrictions that may or will be met either by actions of the Pantry and/or the passage of time. Other donor or grantor restrictions may require the Pantry to permanently maintain net assets and may permit the Pantry to use all or part of the income earned on related investments for general or specific purposes.

Contributions received are recorded as support with or without donor restrictions depending on the existence or nature of any donor or grantor 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 as net assets released from restrictions.

The Pantry did not receive or expend any net assets with donor restrictions during the years ended February 28, 2019 and 2018.

**NORTHFIELD TOWNSHIP FOOD PANTRY**  
Notes to Financial Statements (Continued)  
February 28, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Cash and Cash Equivalents**

For the purposes of the statement of cash flows, the Pantry considers all interest earning savings accounts and checking accounts to be cash equivalents.

**d. Advertising**

The Pantry records advertising expenses when incurred. For the years ended February 28, 2019 and 2018, the Pantry had total advertising costs of \$1,300 and \$0, respectively.

**e. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**2. AVAILABILITY AND LIQUIDITY**

The following represents the Pantry's financial assets at February 28, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 627,299	\$ 495,605
Total Financial Assets	<u>627,299</u>	<u>495,605</u>
Less amounts not available to be used within one year:		
Net Assets with Donor Restrictions	<u>-</u>	<u>-</u>
Financial Assets Available to Meet General Expenditures over the Next Twelve Months	<u>\$ 627,299</u>	<u>\$ 495,605</u>

The Pantry maintains financial assets to meet 90 days of operating expenses.

**3. OPERATING LEASE**

The Pantry's facility is owned by the Township and the Township is responsible for all building operating expenditures. The lease calls for the Pantry to make payments to the Township in the amount of \$6,000 per quarter. Total rent paid the Township for the years ended February 28, 2019 and 2018 was \$24,000.

**4. TAX-EXEMPT STATUS**

The Pantry is a not-for-profit corporation as described in Section 501(c) (3) of the Internal Revenue Code (the Code) and is exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code. No provision for income taxes is necessary since there are no significant unrelated business incomes for the years ended February 28, 2019 and 2018.

The Pantry has evaluated its tax positions for all open years. Currently, the tax years open and subject to examination by the Internal Revenue Service are 2013, 2014, and 2015 tax years. However, the Pantry is not currently under audit nor has it been contacted by any jurisdiction. Based on the evaluation of the Pantry's tax positions, management believes all tax positions taken would be upheld under examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended February 28, 2019 and 2018.

**5. RELATED PARTY TRANSACTIONS**

The Pantry enters into various transactions with the Township, as described in Note 1 and Note 3.

**6. CONCENTRATION OF CREDIT RISK**

The Pantry maintains a bank account at Northview Bank & Trust, which is part of the MaxSafe program. Accounts at the institution are insured up to \$3,750,000 by the Federal Deposit Insurance Corporation (FDIC). As of February 28, 2019 and 2018, the Pantry's bank balances were fully insured.

**7. DONATIONS**

The Township Pantry Fund receives several tons of donated food from the community each year to help stock its Food Pantry. The Township does not have the resources available to determine the value of these donations, and no amount has been reported on the financial statements for them.

**8. SUBSEQUENT EVENTS**

Subsequent events were evaluated through October 1, 2019, which is the date the financial statements were available to be issued.