

A SIMPLE GESTURE-GREENSBORO, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020



**A SIMPLE GESTURE-GREENSBORO, INC.**

**Table of Contents**

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	<u>Page No.</u>
Independent Auditor's Report .....	1
<i>Financial Statements</i>	
Statement of Financial Position .....	2
Statement of Activities and Changes in Net Assets .....	3
Statement of Functional Expenses .....	4
Statement of Cash Flows .....	5
Notes to Financial Statements .....	6



## Independent Auditor's Report

To The Board of Directors  
A Simple Gesture-Greensboro, Inc.  
Greensboro, North Carolina

We have audited the accompanying financial statements of A Simple Gesture-Greensboro, Inc., which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the disclosures 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 A Simple Gesture-Greensboro, Inc.'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 A Simple Gesture-Greensboro, Inc.'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 A Simple Gesture-Greensboro, Inc. as of December 31, 2020, and the changes 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.

*Bernard Robinson & Company, L.L.P.*

Greensboro, North Carolina  
May 12, 2021

**A SIMPLE GESTURE-GREENSBORO, INC.**  
**Statement of Financial Position**  
**December 31, 2020**

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**Assets**

Current Assets:

Cash and cash equivalents	\$ 345,203
Total current assets	<u>345,203</u>
Total assets	<u><u>\$ 345,203</u></u>

**Liabilities and Net Assets**

Current Liabilities:

Accrued expenses	\$ 1,510
Total current liabilities	<u>1,510</u>

Net Assets:

Without donor restrictions	343,693
Total net assets	<u>343,693</u>
Total liabilities and net assets	<u><u>\$ 345,203</u></u>

**A SIMPLE GESTURE-GREENSBORO, INC.**  
**Statement of Activities and Changes in Net Assets**  
**Year Ended December 31, 2020**

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support:			
Grants and contributions:			
Cash grants and contributions	\$ 468,721	\$ -	\$ 468,721
In kind donations	<u>478,232</u>	<u>-</u>	<u>478,232</u>
Total revenues and support	<u>946,953</u>	<u>-</u>	<u>946,953</u>
Program expenses:			
Food Collection Program	<u>587,399</u>	<u>-</u>	<u>587,399</u>
Total program expenses	<u>587,399</u>	<u>-</u>	<u>587,399</u>
General and administrative	39,988	-	39,988
Fundraising	<u>51,753</u>	<u>-</u>	<u>51,753</u>
Total expenses	<u>679,140</u>	<u>-</u>	<u>679,140</u>
Changes in net assets	267,813	-	267,813
Net assets, beginning of year	<u>75,880</u>	<u>-</u>	<u>75,880</u>
Net assets, end of year	<u><u>\$ 343,693</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 343,693</u></u>

**A SIMPLE GESTURE-GREENSBORO, INC.****Statement of Functional Expenses****Year Ended December 31, 2020**

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	Program Services			
	<u>Food Collection</u>	<u>General &amp; Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Accounting Fees	\$ -	\$ 2,650	\$ -	\$ 2,650
Advertising	7,056	-	-	7,056
Appreciation Gifts to Donors	-	56	-	56
Bank Charges	-	38	-	38
Bank Fees	-	891	-	891
Books, Subscriptions	-	380	-	380
Business Registration Fees	-	202	-	202
Company Meals	-	349	349	698
Computer Services	2,714	905	1,809	5,428
Contract Labor	5,005	3,100	36,000	44,105
Donated Facilities	9,000	3,060	5,940	18,000
Food Bank Donations	459,463	-	-	459,463
Insurance - Liability, D&O	-	1,024	-	1,024
Office Supplies	2,186	728	-	2,914
Other Costs	13,222	4,407	-	17,629
Payroll Expenses	53,252	17,750	-	71,002
Postage, Mailing Service	303	100	202	605
Printing and Copying	2,719	907	1,813	5,439
Rent, Parking, Utilities	8,461	2,820	5,640	16,921
Supplies	19,138	-	-	19,138
Telephone, Telecommunications	1,863	621	-	2,484
Travel	3,017	-	-	3,017
Total functional expenses	<u>\$ 587,399</u>	<u>\$ 39,988</u>	<u>\$ 51,753</u>	<u>\$ 679,140</u>

**A SIMPLE GESTURE-GREENSBORO, INC.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020**

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Cash flows from operating activities:	
Changes in net assets	\$ 267,813
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Increase (decrease) in:	
Accrued expenses	<u>1,183</u>
Net cash provided by operating activities	<u>268,996</u>
Net increase in cash and cash equivalents	268,996
Cash and cash equivalents - beginning	<u>76,207</u>
Cash and cash equivalents - ending	<u><u>\$ 345,203</u></u>

## **A SIMPLE GESTURE-GREENSBORO, INC.**

### **Notes to Financial Statements**

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#### **NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A Simple Gesture-Greensboro, Inc. ("ASG") is a food collection agency, incorporated as a not for profit corporation in the State of North Carolina in 2015, in which various food products are collected by volunteers and distributed to food pantry partners. ASG's program goals include: to provide regular food supplies to hungry neighbors in the Guilford County area; to create neighborhood connections; and to serve as a model for other communities.

#### **Cash and Cash Equivalents**

ASG maintains its cash in a local bank, which is insured by the Federal Deposit Insurance Corporation up to \$250,000. Whenever cash balances exceed the amount insured, there is a risk of monetary loss.

#### **Net Assets**

ASG reports information regarding its financial position and activities accordingly to the two classes of net assets: net assets with donor restrictions and net assets without donor restrictions - depending on the existence and/or nature of any donor restrictions.

#### **Revenues and Receivables**

Grants and contributions of cash and other assets are reported as net assets with donor restrictions if they are received with donor restrictions that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. If such donor restrictions are met within the year such donations were received, ASG records such donations as net asset without donor restrictions in the statement of activities and changes in net assets.

ASG receives a significant amount of donated food products which are recorded as in kind contribution income and charged to expense when delivered to area food banks in the statement of activities and changes in net assets. These contributions for food products are recognized at its estimated fair value per pound.

#### **Functional Allocation of Expenses**

The costs of programs and supporting services are reported on a functional basis in the statement of activities and changes in net assets. Accordingly, costs have been allocated among programs and general administrative based on estimated employee time and effort.

#### **Income Tax Status**

ASG is generally exempt from 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.



## A SIMPLE GESTURE-GREENSBORO, INC.

### Notes to Financial Statements

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#### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Income Tax Status (Continued)

It is ASG's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a more-likely-than-not threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2020.

##### Estimates

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

##### Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through May 12, 2021, which is the date the financial statements were available to be issued.

#### NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

ASG is substantially supported by grants and contributions. Contributions and grants may be restricted by donors to be used in a particular manner or in a future period and therefore, ASG must maintain sufficient resources to meet those responsibilities to its donors.

Financial assets:	
Cash and cash equivalents	\$ 345,203
Total financial assets	<u>345,203</u>
Less those unavailable for general expenditures within one year, due to:	
Purpose restrictions	<u>-</u>
Financial assets available for general expenditures within one year	<u><u>\$ 345,203</u></u>