

ATLANTA COMMUNITY FOOD BANK, INC.

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2018

ATLANTA COMMUNITY FOOD BANK, INC.
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Atlanta Community Food Bank, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Atlanta Community Food Bank, Inc. (a nonprofit organization) which comprise the consolidated statement of financial position as of June 30, 2018, the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Atlanta Community Food Bank, Inc. as of June 30, 2018, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Atlanta Community Food Bank, Inc.'s 2017 consolidated financial statements, and our report dated December 13, 2017 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position as of June 30, 2018 and consolidating statement of activities for the year ended June 30, 2018 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Warren Averett, LLC

Atlanta, GA
December 21, 2018

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017

	ASSETS	
	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents		
Cash	\$ 4,515,254	\$ 3,645,504
Cash – Agency	-	377,666
Total cash and cash equivalents	4,515,254	4,023,170
Receivables		
Share contributions and handling fees	159,214	160,735
Grants	2,083,826	1,730,878
Pledges	1,815,077	1,516,559
Pledges – capital campaign	2,804,446	-
Other	64,211	133,961
Inventory – donated	4,133,167	6,996,443
Inventory – purchased	647,182	46,610
Prepaid expenses	305,540	178,149
Total current assets	<u>16,527,917</u>	<u>14,786,505</u>
PROPERTY AND EQUIPMENT		
Land	1,298,698	1,298,698
Buildings and improvements	10,355,593	10,355,593
Furniture and equipment	6,019,075	5,639,093
Vehicles	2,122,971	2,122,001
Total property and equipment	19,796,337	19,415,385
Less accumulated depreciation	<u>(10,117,697)</u>	<u>(9,033,741)</u>
	9,678,640	10,381,644
Projects in progress	698,630	238,639
Property and equipment, net	<u>10,377,270</u>	<u>10,620,283</u>
OTHER ASSETS		
Investments	13,615,572	13,848,521
Total other assets	<u>13,615,572</u>	<u>13,848,521</u>
TOTAL ASSETS	<u><u>\$ 40,520,759</u></u>	<u><u>\$ 39,255,309</u></u>

See notes to the consolidated financial statements.

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – CONTINUED
JUNE 30, 2018 AND 2017

LIABILITIES AND NET ASSETS		
	2018	2017
CURRENT LIABILITIES		
Accounts payable	\$ 1,793,984	\$ 1,714,780
Accrued liabilities	608,430	947,247
Deferred revenue	342,254	258,735
Agency liability	-	377,666
Total current liabilities	2,744,668	3,298,428
NET ASSETS		
Unrestricted		
Undesignated	19,933,428	23,548,218
Board designated	9,403,768	8,675,365
	29,337,196	32,223,583
Temporarily restricted	7,610,895	2,905,298
Permanently restricted	828,000	828,000
Total net assets	37,776,091	35,956,881
TOTAL LIABILITIES AND NET ASSETS	\$ 40,520,759	\$ 39,255,309

See notes to the consolidated financial statements.

**ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

	2018			2017	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
PUBLIC SUPPORT AND REVENUE SUPPORT					
Donated product	\$ 111,810,400	\$ -	\$ -	\$ 111,810,400	\$ 117,010,855
Federal grants	9,076,065	-	-	9,076,065	8,160,462
Contributions – ACFB	7,333,552	1,527,879	-	8,861,431	10,761,221
Contributions – ACFB capital campaign	-	4,333,235	-	4,333,235	-
Contributions – FWA	60,000	3,290,400	-	3,350,400	1,047,393
In kind contributions	519,485	-	-	519,485	717,381
Special events (net of direct costs of \$228,209 and \$245,848, respectively)	4,750,671	-	-	4,750,671	4,690,321
Net assets released from restrictions	4,599,649	(4,599,649)	-	-	-
Total support	138,149,822	4,551,865	-	142,701,687	142,387,633
REVENUE					
Share contributions and handling fees	2,381,556	-	-	2,381,556	2,205,356
Net investment earnings	807,575	153,732	-	961,307	1,326,606
Other income	920,155	-	-	920,155	1,310,570
Total revenue	4,109,286	153,732	-	4,263,018	4,842,532
TOTAL SUPPORT AND REVENUE	142,259,108	4,705,597	-	146,964,705	147,230,165
EXPENSES					
PROGRAM SERVICES					
Collection, storage and distribution of food	134,754,997	-	-	134,754,997	134,949,775
Kids in Need	2,639,740	-	-	2,639,740	4,614,913
Advocacy	206,239	-	-	206,239	147,497
Total program services	137,600,976	-	-	137,600,976	139,712,185
SUPPORTING SERVICES					
Management and general	4,724,454	-	-	4,724,454	5,136,724
Fundraising	2,820,065	-	-	2,820,065	2,181,130
Total supporting services	7,544,519	-	-	7,544,519	7,317,854
TOTAL EXPENSES	145,145,495	-	-	145,145,495	147,030,039
CHANGES IN NET ASSETS	(2,886,387)	4,705,597	-	1,819,210	200,126
NET ASSETS AT					
BEGINNING OF YEAR	32,223,583	2,905,298	828,000	35,956,881	35,756,755
END OF YEAR	\$ 29,337,196	\$ 7,610,895	\$ 828,000	\$ 37,776,091	\$ 35,956,881

See notes to the consolidated financial statements.

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018
(WTH COMPARATIVE TOTALS FOR 2017)

	Program Services			Supporting Services			2018 Total Expenses	2017 Total Expenses
	Collection, Storage and Distribution of Food	Kids in Need	Advocacy	Total Program Services	Management and General	Fundraising		
Grants and other assistance	\$ 117,342,886	\$ 2,350,310	\$ -	\$ 119,693,196	\$ -	\$ -	\$ 119,693,196	\$ 121,776,290
Salaries, contract labor and payroll taxes	5,961,516	152,183	104,075	6,217,774	2,471,303	1,162,385	9,851,462	9,053,751
Product purchase	6,428,281	-	-	6,428,281	-	-	6,428,281	5,472,322
Employee benefits	1,035,122	31,834	14,817	1,081,773	289,449	180,666	1,551,888	1,364,964
Occupancy	342,102	71,252	-	413,354	456,099	7,572	877,025	968,993
Depreciation	799,493	12,856	-	812,349	330,473	-	1,142,822	1,258,239
Professional services	178,852	-	73,138	251,990	602,353	877,183	1,731,526	2,170,025
Project expenses	437,872	7,088	-	444,960	-	-	444,960	805,815
Office expenses	185,585	8,776	1,469	195,830	282,349	211,277	689,456	797,884
Product shipping & transportation	694,087	4,475	-	698,562	369	1,000	699,931	757,678
Information technology	333,756	-	-	333,756	72,657	74,125	480,538	435,598
Promotional/event expenses	454,525	-	-	454,525	4,041	253,007	711,573	1,262,718
Insurance	4,973	-	-	4,973	53,047	506	58,526	180,551
Travel	92,892	366	10,886	104,144	69,886	23,372	197,402	168,887
Miscellaneous	430,117	-	-	430,117	72,875	7,221	510,213	492,514
Conference/education/training	32,938	600	1,854	35,392	19,553	21,751	76,696	63,810
Total expenses	\$ 134,754,997	\$ 2,639,740	\$ 206,239	\$ 137,600,976	\$ 4,724,454	\$ 2,820,065	\$ 145,145,495	\$ 147,030,039

See notes to the consolidated financial statements.

**ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,819,210	\$ 200,126
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	1,142,822	1,258,239
Contribution of marketable securities	(443,090)	(321,330)
Loss on sale of equipment	1,332	13,643
Gain on sale of investments	(191,572)	(1,498,232)
Unrealized (gain) loss on investments	(560,591)	370,152
Decrease (increase) in inventory – donated	2,863,276	(726,503)
Change in assets and liabilities:		
(Increase) decrease in receivables	(3,384,641)	8,273
(Increase) decrease in inventory – purchased	(600,572)	231,173
Increase in prepaid expenses	(127,391)	(3,596)
(Decrease) increase in accounts payable and accrued liabilities	(259,613)	304,543
Decrease in agency liability	(377,666)	(2,890,450)
Increase in deferred revenue	83,519	8,375
Net cash used in operating activities	(34,977)	(3,045,587)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(202,511)	(312,882)
Projects in progress	(698,630)	(238,638)
Investments	1,428,202	122,804
Net cash provided by (used in) investing activities	527,061	(428,716)
NET INCREASE (DECREASE)		
IN CASH AND CASH EQUIVALENTS	492,084	(3,474,303)
CASH AND CASH EQUIVALENTS		
AT BEGINNING OF YEAR	4,023,170	7,497,473
AT END OF YEAR	\$ 4,515,254	\$ 4,023,170
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Capitalization of projects in progress	\$ 238,639	\$ 737,885

See notes to the consolidated financial statements.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

1. DESCRIPTION OF ORGANIZATION

The Atlanta Community Food Bank, Inc. (ACFB) is a not-for-profit corporation whose mission is to fight hunger by engaging, educating, and empowering our community. ACFB was founded in 1979, and serves 29 counties in Metro Atlanta and North Georgia. ACFB's primary operational focus is the distribution of food and other donated grocery items. ACFB currently distributes over 70 million pounds of product each year to more than 600 not-for-profit partner agencies, including food pantries, community kitchens, shelters and other organizations that operate hunger relief programs. These partner agencies in turn, utilize the product from ACFB to provide groceries and meals for families and individuals suffering from hunger and food insecurity. In alignment with its mission, ACFB also operates several programs and initiatives that aid in education and advocacy, community building and ACFB partner agencies' capacity to provide for people in need. Among these projects and initiatives are:

- Hunger 101 – introduces groups of all ages to hunger and poverty issues in the U.S. and Georgia through interactive programs facilitated by ACFB staff and volunteers, and a downloadable online curriculum.
- Kids In Need (KIN) – a free store for teachers, provides over 457,000 pounds of brand new school supplies each year for students whose academic success is threatened by poverty. KIN serves qualifying schools in 14 metro area school systems.
- Agency Capacity Building & Community Building – provides grants as well as consultation and workshops for ACFB partner agencies. This support increases agencies' ability to serve people in need in their specific location as well as to collaborate with other like-minded agencies to more fully address the impacts of poverty.

ACFB is a member of Feeding America, the nation's leading domestic hunger relief charity, in concert with over 200 other food banks nationwide.

Food Well Alliance, Inc. (FWA) was formed in partnership with ACFB in 2014 to connect Atlanta's local food movement around building healthier communities, transforming our local food system and improving our lives. FWA was established through a grant from a single donor which required ACFB to act in an agency capacity to establish and incubate FWA. The donor provided an additional grant in 2017.

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-20, *Not-for-Profit Entities – Financially Related Entities*, since ACFB has a controlling financial interest in FWA, the entities have been consolidated and are collectively referred to herein as "the Food Bank."

In 2018, ACFB launched its \$50 million Growing Healthy Futures capital campaign. Proceeds from the campaign will be used for land acquisition and construction of a new facility, growth of the partner agency network, and grants for programs to increase access to food resources.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of ACFB and FWA. All inter-organization balances and transactions were eliminated in consolidation.

Basis of Accounting

The Food Bank prepares its financial statements in accordance with FASB ASC 958-205, *Not-for-Profit Entities Presentation of Financial Statements*. Under FASB ASC 958-205, the Food Bank reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Reclassifications

Certain 2017 accounts have been reclassified to conform to the 2018 presentation. Total net assets and changes in net assets, as previously reported for 2017, were unchanged due to these reclassifications.

Estimates

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

Contributions and Unconditional Promises to Give

Contributions are recorded and presented in accordance with FASB ASC 958-605, *Not-for-Profit Entities Revenue Recognition*. Contributions are recognized when the donor makes a promise to give to the Food Bank that is, in substance, unconditional. Unconditional promises to give are recorded as received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give due in subsequent years are recorded at the present value of their net realizable value, using risk adjusted discount rates.

The Food Bank uses the allowance method to determine the uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises received. Since all pledges receivable were deemed to be collectible, there is no allowance for doubtful pledges at June 30, 2018 and 2017.

Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Noncash Contributions

Noncash contributions received and made are recorded at amounts that approximate their fair value at the date received or distributed.

	2018		2017	
	lbs	\$	lbs	\$
Donated product received				
Food – federal	9,990,995	\$ 15,685,861	15,645,804	\$ 23,781,621
Food – other donations	54,568,900	91,675,752	51,334,998	88,809,547
Other – Kids in Need	865,169	4,448,787	557,177	4,419,687
		<u>\$ 111,810,400</u>		<u>\$ 117,010,855</u>
Donated product distributed				
Food – federal	11,457,527	\$ 17,988,316	15,150,443	\$ 23,028,674
Food – other donations	55,157,388	92,664,412	51,343,920	88,824,981
Other – Kids in Need	616,836	3,171,832	601,636	4,371,170
		<u>\$ 113,824,560</u>		<u>\$ 116,224,825</u>

ACFB purchased 7,115,055 pounds of product and distributed 6,754,894 pounds of purchased product in the year ended June 30, 2018. ACFB purchased 8,476,849 pounds of product and distributed 8,683,064 pounds of purchased product in the year ended June 30, 2017.

Contributed Services

Contributed services are recognized if the services received (a) create or enhance nonfinancial assets or, (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Professional services recognized as of June 30, 2018 and 2017 in the accompanying consolidated financial statements are \$232,651 and \$365,684, respectively. However, not included in contributed services is the value of donated time by volunteers to aid in program and other services. These services were not included since they do not meet the criteria described above. ACFB received over 27,380 volunteer visits for the year ended June 30, 2018 resulting in 81,498 hours of service. For the year ended June 30, 2017, ACFB received over 30,946 volunteer visits, resulting in 101,728 hours of service.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of their short maturities.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Concentrations of Credit and Market Risk

The Food Bank maintains its cash in bank deposit accounts at financial institutions. Cash accounts are insured by the Federal Deposit Insurance Corporation for up to statutory limits. The Food Bank's cash balances periodically exceed the federally insured limit. At June 30, 2018 and 2017 the Food Bank's uninsured cash balance was \$4,115,513 and \$3,601,940, respectively.

Four donors represent 81% and 66% of the balance of pledges receivable at June 30, 2018 and June 30, 2017, respectively.

At June 30, 2018 approximately 14% of contributions received were attributable to one donor.

Other Receivables

Receivables are stated as unpaid balances, less an allowance for doubtful accounts. The Food Bank provides for losses on accounts using management's estimates of probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivables.

Inventory

Inventory consists primarily of donated foods and related consumer products. Donated inventory has been valued in 2018 and 2017 at \$1.57 per pound and \$1.52 per pound, respectively, which is an approximation of the average national wholesale value of one pound of donated product. This value was derived from Feeding America, and management believes it is a fair representation of value for the purpose stated above. Feeding America engages KPMG to perform annual independent procedures to determine the valuation of one pound of donated product.

Investments

Investments are carried at fair value in accordance with FASB ASC 958-320, *Investments – Debt and Equity Securities for Not-for-Profit Organizations*. Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value measurements are disclosed by level within the fair value hierarchy.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Investments

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level I: Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level II: Valuations based on quoted prices in markets that are not active or based on valuation models for which all significant inputs are observable, either directly or indirectly.

Level III: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level III investments include situations where there is little, if any, market activity for the investments. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

See Note 3 for investment categories.

The Food Bank holds certain fund of fund investments that are considered Level 2 investments. Management has determined broker reported prices are a reasonable estimation of fair value as of June 30, 2018. Broker reported prices are determined using inputs including last trade prices, current market conditions, perceived market movements, news and other relevant information.

Endowment

In accordance with FASB ASC 958-205, the Board of Directors determined that all of the Food Bank's permanently restricted net assets meet the definition of endowment funds under the Georgia Prudent Management of Institutional Funds Act (GPMIFA).

Property and Equipment

The Food Bank capitalizes all expenditures for property, furniture and equipment in excess of \$5,000. Property and equipment are recorded at cost or fair value, if donated, and are depreciated using the straight line method as follows:

Buildings and improvements	15-30 years
Furniture and equipment	3-15 years
Vehicles	5-7 years

Depreciation expense in the amount of \$1,142,822 and \$1,258,239 has been charged to operations for the year ended June 30, 2018 and 2017, respectively.

Compensated Absences

It is the Food Bank's policy to permit employees to accumulate earned, but unused, paid time-off (PTO) benefits. In accordance with the provisions of FASB ASC 710-10-25, *Recognition of Compensated Absences*, no liability is reported for unpaid accumulated sick leave because the benefits are paid only upon illness of an employee, the amounts of such payments cannot be reasonably estimated, and are not paid if an employee leaves the Food Bank. All PTO is accrued when earned; a maximum of forty hours can be carried over to the next fiscal year.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Grant Revenue and Deferred Revenue

Grant revenue is primarily on a reimbursement basis and is recognized as expenditures are made. Unexpended funds received under these grants and contracts are recorded as deferred revenue. At June 30, 2018 and June 30, 2017 deferred revenue also includes special event sponsorships and ticket sales that relate to an event in the subsequent year.

Agency Liability

During the year ended June 30, 2017, ACFB received funds from a foundation to be distributed to another nonprofit organization. These funds are recorded as an agency liability as of June 30, 2017. ACFB distributed these funds to the nonprofit organization by June 30, 2018.

Share Contributions and Handling Fees

Share contributions and handling fees consist of those amounts paid to the Food Bank by agencies as a contribution to defray the costs of storage and distribution of food and other items. The food is picked up from the Food Bank by the agency or delivered by the Food Bank to agency sites for distribution to those in need. Share contributions and handling fees are reported net of cash credits to affiliated agencies. Cash credits are contributions received by the Food Bank on behalf of affiliated agencies.

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. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Food Bank is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and is classified as an organization which is not a private foundation under Section 509(a) of the U.S. Internal Revenue Code. The Food Bank qualifies for the charitable contribution deduction.

Fair Value of Financial Instruments

Financial instruments, primarily cash, receivables and accounts payable are reported at values which the Food Bank believes are not significantly different from fair values. The Food Bank believes no significant credit risk exists with respect to any of its financial instruments.

New Accounting Pronouncements

In August 2016 FASB issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 (1) reduces the number of net asset classes presented from three to two; (2) requires the presentation of expense by functional and natural classification in one location; (3) requires quantitative and qualitative disclosures about liquidity and availability of financial assets; and (4) requires additional policy disclosures regarding board designated funds. ASU 2016-14 is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The Food Bank expects to implement the provisions of ASU 2016-14 during 2019. The Food Bank is evaluating the impact of the new standard on its current policies and reporting methodologies.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Events Occurring After Report Date

Management has evaluated events and transactions that occurred between June 30, 2018 and December 31, 2018, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

3. INVESTMENTS

The Food Bank's investments at June 30, 2018 and 2017 are comprised of the following:

	2018		2017	
	Fair Value	Cost	Fair Value	Cost
Level 1 Investments				
Money Market Funds	\$ 354,596	\$ 354,596	\$ 464,268	\$ 464,268
Mutual Funds				
Emerging Markets Bond	406,690	340,148	435,636	393,565
International	1,533,817	1,495,602	1,042,289	1,004,877
Small Cap	328,182	312,786	390,330	355,000
Small Cap Index	164,855	129,943	143,537	129,943
Strategic Income	1,002,878	1,019,632	1,580,345	1,561,581
Individual Equities				
U.S. Large Cap Blend	4,003,323	3,168,413	4,189,889	3,754,743
U.S. Mid Cap Growth	1,223,290	975,627	1,345,912	1,234,389
Individual Bonds				
U.S. Treasury and Federal Agency	1,233,584	1,271,062	971,156	990,746
U.S. Taxable Corporate	1,639,446	1,719,065	1,998,668	2,041,302
Total Level 1 Investments	<u>11,890,661</u>	<u>10,786,874</u>	<u>12,562,030</u>	<u>11,930,414</u>
Level 2 Investments				
Limited Partnership Alternatives				
Non-Directional Multi-Strategy Hedge FOF	675,877	625,000	641,299	625,000
Non-Directional Single Strategy Hedge FOF	278,070	250,000	252,642	250,000
Directional Multi-Strategy Hedge FOF	415,860	375,000	392,550	375,000
Other Fund of Funds Alternatives				
Private Real Estate/Real				
Assets Fund of Funds	355,104	350,000	-	-
Total Level 2 Investments	<u>1,724,911</u>	<u>1,600,000</u>	<u>1,286,491</u>	<u>1,250,000</u>
Total Investments	<u>\$ 13,615,572</u>	<u>\$ 12,386,874</u>	<u>\$ 13,848,521</u>	<u>\$ 13,180,414</u>

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

3. INVESTMENTS – CONTINUED

Investment income for the year ended June 30, 2018 and 2017 is composed of:

	<u>2018</u>	<u>2017</u>
Interest income	\$ 243,626	\$ 234,533
Brokerage fees	(34,482)	(36,007)
Unrealized gain (loss) on investments	560,591	(370,152)
Realized gain on investments	191,572	1,498,232
Net Investment Income	<u>\$ 961,307</u>	<u>\$ 1,326,606</u>

4. BOARD DESIGNATED UNRESTRICTED NET ASSETS

The Board of Directors of the Food Bank reviews its plans for future needs and from time to time designates appropriate sums of unrestricted net assets to assure adequate funding for financing such activities. Unrestricted board designated net assets consists of the following at June 30:

	<u>2018</u>	<u>2017</u>
Future programming	\$ 8,322,640	\$ 7,640,240
Building fund endowment	532,703	532,703
Equipment replacement reserves	438,151	400,865
Emergency relief fund	110,274	101,557
	<u>\$ 9,403,768</u>	<u>\$ 8,675,365</u>

5. RESTRICTIONS ON NET ASSETS

Permanently Restricted Net Assets

The Board of Directors of the Food Bank has interpreted the GPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Food Bank classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Food Bank in a manner consistent with the standard of prudence prescribed by GPMIFA.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

5. RESTRICTIONS ON NET ASSETS – CONTINUED

In accordance with GPMIFA, the Food Bank considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Food Bank, and (7) the Food Bank's investment policies.

Investment Policy

The Food Bank has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Food Bank must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, the endowment assets are invested in a manner recommended by the finance committee and approved by the board of directors.

To satisfy its long-term rate-of-return objectives, the Food Bank relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Food Bank targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

The Food Bank has a policy of appropriating for distribution each year 4% of the average total market value of the endowment for the trailing three-year period ending June 30 unless otherwise approved by ACFB's Board of Directors. In the event the average annualized total return for the trailing three-year period fails to equal or exceed 4%, the Food Bank shall distribute only the Net Income (defined as interest, dividends and other income receipts from investments less expenses) until such time as the trailing three-year return again equal or exceeds 4%. In making distributions, the Food Bank is authorized to use both the Net Income and Net Capital Appreciation (defined as realized and unrealized appreciation in the fair market value of the investments) in excess of the fund's Historic Dollar Value (i.e. corpus).

The Food Bank's executive committee shall have discretion over whether or not distributions are appropriated. If it is determined that a distribution is not needed in a particular year, the executive committee may waive the distribution for the current year and no appropriation will be made. Distributions of \$993,900 and \$200,000 were appropriated for the fiscal years ended June 30, 2018 and 2017, respectively.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

5. RESTRICTIONS ON NET ASSETS – CONTINUED

Endowment net asset composition by type of fund as of June 30, 2018 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
William F. Shallenberger Trust Fund	\$ -	\$ 946,035	\$ 738,000	\$ 1,684,035
Endowment for Atlanta's Table	-	-	90,000	90,000
	<u>\$ -</u>	<u>\$ 946,035</u>	<u>\$ 828,000</u>	<u>\$ 1,774,035</u>

Endowment net asset composition by type of fund as of June 30, 2017 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
William F. Shallenberger Trust Fund	\$ -	\$ 792,303	\$ 738,000	\$ 1,530,303
Endowment for Atlanta's Table	-	-	90,000	90,000
	<u>\$ -</u>	<u>\$ 792,303</u>	<u>\$ 828,000</u>	<u>\$ 1,620,303</u>

Changes in endowment net assets for the year ended June 30, 2018 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning of the year	\$ -	\$ 792,303	\$ 828,000	\$ 1,620,303
Contributions	-	-	-	-
Investment income, net	-	23,975	-	23,975
Unrealized and realized gain, net	-	129,757	-	129,757
Earnings released from restriction	-	-	-	-
End of the year	<u>\$ -</u>	<u>\$ 946,035</u>	<u>\$ 828,000</u>	<u>\$ 1,774,035</u>

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

5. RESTRICTIONS ON NET ASSETS – CONTINUED

Changes in endowment net assets for the year ended June 30, 2017 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning of the year	\$ -	\$ 515,279	\$ 828,000	\$ 1,343,279
Contributions	-	-	-	-
Investment income, net	-	23,300	-	23,300
Unrealized and realized gain, net	-	253,724	-	253,724
Earnings released from restriction	-	-	-	-
End of the year	<u>\$ -</u>	<u>\$ 792,303</u>	<u>\$ 828,000</u>	<u>\$ 1,620,303</u>

Temporarily Restricted Net Assets

Temporarily restricted net assets are contributions that are available for use for specific programs. Temporarily restricted net assets are available for the following purposes at June 30:

	<u>2018</u>	<u>2017</u>
Time Restrictions		
Grants designated for future expenditures	\$ 2,235,400	\$ 66,245
Purpose Restrictions		
Capital campaign	3,376,353	-
Healthy initiatives	863,418	1,435,612
Endowment earnings	946,035	792,303
Other programming	189,689	306,138
Capital projects	-	305,000
	<u>\$ 7,610,895</u>	<u>\$ 2,905,298</u>

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

6. COMMITMENTS

Operating Lease

The Food Bank has obligations under various non-cancelable operating leases for office equipment. Future minimum lease payments for the years ending June 30 are as follows:

2019	\$ 65,159
2020	59,950
2021	7,494

Commitment

ACFB entered into a contract on November 11, 2008 with the Georgia Mountain Food Bank (GMFB), another 501(c) (3) organization to act as an RDO (redistributing organization) on behalf of ACFB and Feeding America. Under the terms of the agreement the GMFB acts as a limited agent for the delivery of certain food services within a selected and assigned service area that has specifically been delegated by ACFB and agreed to by both parties.

Key terms of the agreement are as follows:

- 1) The two organizations will remain separately organized, independent entities maintaining separate facilities and equipment. Each of the entities will maintain their own independent records and financial statements; however, they will share this information with each other. They will each maintain their own separate marketing and donor relations as well as other operations and will work together to ensure that they resolve any conflicts as to service area and local contacts.
- 2) GMFB provides ACFB the option of having one of their board members or another representative of the ACFB to serve as an ex-officio member of the GMFB's Board of Directors.

ACFB contributed \$48,315 and \$70,890 to GMFB for operations during the years ended June 30, 2018 and 2017, respectively.

7. RETIREMENT EXPENSE

The Food Bank has a defined contribution pension plan covering all employees, twenty-one years of age or older, who have completed one year of service. The Food Bank presently contributes 7.5% of the employee's annual gross salary. The amount contributed to the plan for the years ended June 30, 2018 and 2017 was \$477,935 and \$415,425, respectively.

ATLANTA COMMUNITY FOOD BANK, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

8. SUBSEQUENT EVENTS

New Market Tax Credit

The New Markets Tax Credit Program (NMTC Program) was established by Congress in 2000 to attract investment capital to low-income communities by permitting investors to receive tax credit incentives in exchange for making equity investments in certified Community Development Entities (CDEs). Under this program, certain commercial banks and other investors are able to subsidize eligible projects that meet the NMTC Program requirements.

In September 2018, ACFB entered into transactions with four CDEs to benefit under the NMTC Program for land acquisition, construction, and equipping of a new headquarters facility. ACFB formed ACFB Support Organization, Inc. to facilitate the transaction.

A short term line of credit was opened in July 2018 to pay capital expenses prior to the NMTC closing. The line of credit was fully repaid as part of a \$30,784,665 bridge loan used to fund ACFB's portion of the NMTC transaction. The bridge loan will be repaid using funds raised in ACFB's capital campaign.

Land

In September 2018, ACFB purchased land in the amount of \$2,846,500 for future use.

SUPPLEMENTARY INFORMATION

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

	Atlanta Community Food Bank	Food Well Alliance	Consolidated Total
CURRENT ASSETS			
Cash and cash equivalents			
Cash	\$ 1,714,980	\$ 2,800,274	\$ 4,515,254
Receivables			
Share contributions and handling fees	159,214	-	159,214
Grants	2,083,826	-	2,083,826
Pledges	815,077	1,000,000	1,815,077
Pledges - capital campaign	2,804,446	-	2,804,446
Other	64,211	-	64,211
Inventory – donated	4,133,167	-	4,133,167
Inventory – purchased	647,182	-	647,182
Prepaid expenses	305,287	253	305,540
Total current assets	<u>12,727,390</u>	<u>3,800,527</u>	<u>16,527,917</u>
PROPERTY AND EQUIPMENT			
Land	1,298,698	-	1,298,698
Buildings and improvements	10,355,593	-	10,355,593
Furniture and equipment	6,019,075	-	6,019,075
Vehicles	2,122,971	-	2,122,971
Total property and equipment	19,796,337	-	19,796,337
Less accumulated depreciation	<u>(10,117,697)</u>	<u>-</u>	<u>(10,117,697)</u>
Projects in progress	9,678,640	-	9,678,640
Property and equipment, net	<u>698,630</u>	<u>-</u>	<u>698,630</u>
Property and equipment, net	<u>10,377,270</u>	<u>-</u>	<u>10,377,270</u>
OTHER ASSETS			
Investments	13,615,572	-	13,615,572
Total other assets	<u>13,615,572</u>	<u>-</u>	<u>13,615,572</u>
TOTAL ASSETS	<u>\$ 36,720,232</u>	<u>\$ 3,800,527</u>	<u>\$ 40,520,759</u>

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – CONTINUED
JUNE 30, 2018

	Atlanta Community Food Bank	Food Well Alliance	Consolidated Total
CURRENT LIABILITIES			
Accounts payable	\$ 1,725,913	\$ 68,071	\$ 1,793,984
Accrued liabilities	608,430	-	608,430
Deferred revenue	342,254	-	342,254
Total current liabilities	<u>2,676,597</u>	<u>68,071</u>	<u>2,744,668</u>
NET ASSETS			
Unrestricted			
Undesignated	18,436,372	1,497,056	19,933,428
Board designated	9,403,768	-	9,403,768
	<u>27,840,140</u>	<u>1,497,056</u>	<u>29,337,196</u>
Temporarily restricted	5,375,495	2,235,400	7,610,895
Permanently restricted	828,000	-	828,000
Total net assets	<u>34,043,635</u>	<u>3,732,456</u>	<u>37,776,091</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 36,720,232</u>	<u>\$ 3,800,527</u>	<u>\$ 40,520,759</u>

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2017

	Atlanta Community Food Bank	Food Well Alliance	Consolidated Total
CURRENT ASSETS			
Cash and cash equivalents			
Cash	\$ 1,397,713	\$ 2,247,791	\$ 3,645,504
Cash – agency	377,666	-	377,666
Receivables			
Share contributions and handling fees	160,735	-	160,735
Grants	1,730,878	-	1,730,878
Pledges	1,516,559	-	1,516,559
Other	133,961	-	133,961
Inventory – donated	6,996,443	-	6,996,443
Inventory – purchased	46,610	-	46,610
Prepaid expenses	174,561	3,588	178,149
Total current assets	<u>12,535,126</u>	<u>2,251,379</u>	<u>14,786,505</u>
PROPERTY AND EQUIPMENT			
Land	1,298,698	-	1,298,698
Buildings and improvements	10,355,593	-	10,355,593
Furniture and equipment	5,639,093	-	5,639,093
Vehicles	2,122,001	-	2,122,001
Total property and equipment	19,415,385	-	19,415,385
Less accumulated depreciation	<u>(9,033,741)</u>	<u>-</u>	<u>(9,033,741)</u>
Projects in progress	10,381,644	-	10,381,644
Property and equipment, net	<u>238,639</u>	<u>-</u>	<u>238,639</u>
Property and equipment, net	<u>10,620,283</u>	<u>-</u>	<u>10,620,283</u>
OTHER ASSETS			
Investments	13,848,521	-	13,848,521
Total other assets	<u>13,848,521</u>	<u>-</u>	<u>13,848,521</u>
TOTAL ASSETS	<u>\$ 37,003,930</u>	<u>\$ 2,251,379</u>	<u>\$ 39,255,309</u>

ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – CONTINUED
JUNE 30, 2017

	Atlanta Community Food Bank	Food Well Alliance	Consolidated Total
CURRENT LIABILITIES			
Accounts payable	\$ 1,505,424	\$ 209,356	\$ 1,714,780
Accrued liabilities	947,247	-	947,247
Deferred revenue	258,735	-	258,735
Agency liability	377,666	-	377,666
Total current liabilities	<u>3,089,072</u>	<u>209,356</u>	<u>3,298,428</u>
NET ASSETS			
Unrestricted			
Undesignated	21,513,440	2,034,778	23,548,218
Board designated	8,675,365	-	8,675,365
	<u>30,188,805</u>	<u>2,034,778</u>	<u>32,223,583</u>
Temporarily restricted	2,898,053	7,245	2,905,298
Permanently restricted	828,000	-	828,000
Total net assets	<u>33,914,858</u>	<u>2,042,023</u>	<u>35,956,881</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 37,003,930</u>	<u>\$ 2,251,379</u>	<u>\$ 39,255,309</u>

**ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

	Atlanta Community Food Bank	Food Well Alliance	Total
PUBLIC SUPPORT AND REVENUE			
SUPPORT			
Donated product	\$ 111,810,400	\$ -	\$ 111,810,400
Federal grants	9,076,065	-	9,076,065
Contributions – ACFB	8,861,431	-	8,861,431
Contributions - capital campaign	4,333,235	-	4,333,235
Contributions – FWA	-	3,350,400	3,350,400
In kind contributions	519,485	-	519,485
Special events (net of direct costs of \$228,209)	4,750,671	-	4,750,671
Total support	<u>139,351,287</u>	<u>3,350,400</u>	<u>142,701,687</u>
REVENUE			
Share contributions and handling fees	2,381,556	-	2,381,556
Net investment income	961,307	-	961,307
Other income – ACFB	920,155	-	920,155
Total revenue	<u>4,263,018</u>	<u>-</u>	<u>4,263,018</u>
TOTAL SUPPORT AND REVENUE	<u>143,614,305</u>	<u>3,350,400</u>	<u>146,964,705</u>
EXPENSES			
PROGRAM SERVICES			
Collection, storage and distribution of food – ACFB	133,411,685	-	133,411,685
Collection, storage and distribution of food – FWA	-	1,343,312	1,343,312
Kids in Need	2,639,740	-	2,639,740
Advocacy	206,239	-	206,239
Total program services	<u>136,257,664</u>	<u>1,343,312</u>	<u>137,600,976</u>
SUPPORTING SERVICES			
Management and general – ACFB	4,407,799	-	4,407,799
Management and general – FWA	-	316,655	316,655
Fundraising	2,820,065	-	2,820,065
Total supporting services	<u>7,227,864</u>	<u>316,655</u>	<u>7,544,519</u>
TOTAL EXPENSES	<u>143,485,528</u>	<u>1,659,967</u>	<u>145,145,495</u>
CHANGES IN NET ASSETS	128,777	1,690,433	1,819,210
NET ASSETS AT BEGINNING OF YEAR – ACFB	33,914,858	-	33,914,858
NET ASSETS AT BEGINNING OF YEAR – FWA	-	2,042,023	2,042,023
NET ASSETS AT END OF YEAR	<u>\$ 34,043,635</u>	<u>\$ 3,732,456</u>	<u>\$ 37,776,091</u>

**ATLANTA COMMUNITY FOOD BANK, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

	Atlanta Community Food Bank	Food Well Alliance	Total
PUBLIC SUPPORT AND REVENUE			
SUPPORT			
Donated product	\$ 117,010,855	\$ -	\$ 117,010,855
Federal grants	8,160,462	-	8,160,462
Contributions – ACFB	10,761,221		10,761,221
Contributions – FWA	-	1,047,393	1,047,393
In kind contributions	717,381	-	717,381
Special events (net of direct costs of \$245,848)	4,690,321	-	4,690,321
Total support	<u>141,340,240</u>	<u>1,047,393</u>	<u>142,387,633</u>
REVENUE			
Share contributions and handling fees	2,205,356	-	2,205,356
Net investment income	1,326,606	-	1,326,606
Other income – ACFB	1,308,077	-	1,308,077
Other income – FWA	-	2,493	2,493
Total revenue	<u>4,840,039</u>	<u>2,493</u>	<u>4,842,532</u>
TOTAL SUPPORT AND REVENUE	<u>146,180,279</u>	<u>1,049,886</u>	<u>147,230,165</u>
EXPENSES			
PROGRAM SERVICES			
Collection, storage and distribution of food – ACFB	133,361,308	-	133,361,308
Collection, storage and distribution of food – FWA	-	1,588,467	1,588,467
Kids in Need	4,614,913	-	4,614,913
Advocacy	147,497	-	147,497
Total program services	<u>138,123,718</u>	<u>1,588,467</u>	<u>139,712,185</u>
SUPPORTING SERVICES			
Management and general – ACFB	4,838,879	-	4,838,879
Management and general – FWA	-	297,845	297,845
Fundraising	2,181,130	-	2,181,130
Total supporting services	<u>7,020,009</u>	<u>297,845</u>	<u>7,317,854</u>
TOTAL EXPENSES	<u>145,143,727</u>	<u>1,886,312</u>	<u>147,030,039</u>
CHANGES IN NET ASSETS	1,036,552	(836,426)	200,126
NET ASSETS AT BEGINNING OF YEAR – ACFB	32,878,306	-	32,878,306
NET ASSETS AT BEGINNING OF YEAR – FWA	-	2,878,449	2,878,449
NET ASSETS AT END OF YEAR	<u>\$ 33,914,858</u>	<u>\$ 2,042,023</u>	<u>\$ 35,956,881</u>