

**FONDY FOOD CENTER, INC.**

FINANCIAL STATEMENTS

October 31, 2019 and 2018

## CONTENTS

Independent Auditor's Report .....	1
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses .....	5
Statements of Cash Flows .....	7
Notes to Financial Statements .....	8

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Fondy Food Center, Inc.  
Milwaukee, Wisconsin

We have audited the accompanying financial statements of Fondy Food Center, Inc., which comprise the statements of financial position as of October 31, 2019 and 2018, and the related statements of activities, functional 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 an opinion on these financial statements based on our audits. We conducted our audits 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.

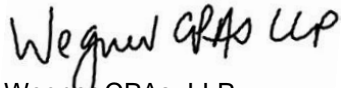
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fondy Food Center, Inc. as of October 31, 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.

**Adoption of New Accounting Pronouncement**

As discussed in Note 1 to the financial statements, Fondy Food Center, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended October 31, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.



Wegner CPAs, LLP  
Waukesha, Wisconsin  
September 28, 2020

**FONDY FOOD CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
October 31, 2019 and 2018

	2019	2018
<b>ASSETS</b>		
CURRENT ASSETS		
Cash	\$ 54,899	\$ 24,639
Accounts receivable	2,718	8,304
Unconditional promises to give	80,749	40,897
Prepaid expenses	4,060	6,087
Total current assets	142,426	79,927
LEASEHOLD IMPROVEMENTS AND EQUIPMENT		
Leasehold improvements	465,651	465,651
Furniture and equipment	105,328	105,328
Website	2,595	2,595
Vehicles	13,900	13,900
Total leasehold improvements and equipment	587,474	587,474
Less accumulated depreciation	(254,766)	(229,547)
Leasehold improvements and equipment, net	332,708	357,927
<b>Total assets</b>	<b>\$ 475,134</b>	<b>\$ 437,854</b>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES		
Accounts payable	\$ 43,086	\$ 43,738
Accrued payroll	20,273	18,632
Deferred revenue	13,972	9,233
Line of credit	25,000	25,000
Total liabilities	102,331	96,603
NET ASSETS		
Without donor restrictions	311,554	300,354
With donor restrictions	61,249	40,897
Total net assets	372,803	341,251
<b>Total liabilities and net assets</b>	<b>\$ 475,134</b>	<b>\$ 437,854</b>

See accompanying notes.

**FONDY FOOD CENTER, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended October 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Contributions						
General donations	\$ 240,279	\$ 59,749	\$ 300,028	\$ 189,725	\$ 24,897	\$ 214,622
Grants	-	-	-	15,795	-	15,795
In-kind contributions	20,818	1,500	22,318	16,472	-	16,472
Special events (less costs of direct benefits to donors of \$9,826 and \$8,861, respectively)	41,374	-	41,374	22,639	-	22,639
Rental income	89,271	-	89,271	90,743	-	90,743
Administrative fees	3,375	-	3,375	5,696	-	5,696
Other income	6,690	-	6,690	7,345	-	7,345
Interest income	10	-	10	9	-	9
<b>Total support and revenue</b>	<b>401,817</b>	<b>61,249</b>	<b>463,066</b>	<b>348,424</b>	<b>24,897</b>	<b>373,321</b>
<b>EXPENSES</b>						
Program services						
Fondy Farmers Markets	190,386	-	190,386	212,348	-	212,348
Fondy Farm Project	73,949	-	73,949	70,100	-	70,100
Public Health Advocacy	26,252	-	26,252	52,529	-	52,529
<b>Total program services</b>	<b>290,587</b>	<b>-</b>	<b>290,587</b>	<b>334,977</b>	<b>-</b>	<b>334,977</b>
Supporting activities						
Management and general	116,126	-	116,126	109,541	-	109,541
Fundraising	24,801	-	24,801	30,545	-	30,545
<b>Total supporting activities</b>	<b>140,927</b>	<b>-</b>	<b>140,927</b>	<b>140,086</b>	<b>-</b>	<b>140,086</b>
<b>Total expenses</b>	<b>431,514</b>	<b>-</b>	<b>431,514</b>	<b>475,063</b>	<b>-</b>	<b>475,063</b>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>						
Satisfaction of purpose restrictions and expiration of time restrictions	40,897	(40,897)	-	45,129	(45,129)	-
<b>Change in net assets</b>	<b>11,200</b>	<b>20,352</b>	<b>31,552</b>	<b>(81,510)</b>	<b>(20,232)</b>	<b>(101,742)</b>
Net assets at beginning of year	300,354	40,897	341,251	381,864	61,129	442,993
<b>Net assets at end of year</b>	<b>\$ 311,554</b>	<b>\$ 61,249</b>	<b>\$ 372,803</b>	<b>\$ 300,354</b>	<b>\$ 40,897</b>	<b>\$ 341,251</b>

See accompanying notes.

**FONDY FOOD CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended October 31, 2019

	Program Services			Supporting Activities			Total Expenses
	Fondy Farmers Markets	Fondy Farm Project	Public Health Advocacy	Management and General	Fundraising	Direct Benefits to Donors	
Personnel	\$ 102,530	\$ 46,077	\$ 23,683	\$ 58,102	\$ 15,419	\$ -	\$ 245,811
Professional fees	146	-	-	33,772	-	-	33,918
Equipment rental and maintenance	1,166	2,474	-	-	-	-	3,640
Supplies	6,888	2,009	-	1,073	5,407	9,826	25,203
Telephone	2,269	1,735	315	1,593	323	-	6,235
Printing and postage	2,253	-	-	1,379	-	-	3,632
Insurance	2,627	838	447	3,720	503	-	8,135
Travel	462	261	-	11	-	-	734
Advertising	3,111	-	-	869	-	-	3,980
Dues and subscriptions	71	-	-	2,722	295	-	3,088
Staff development	405	-	-	86	-	-	491
Occupancy	35,050	9,940	1,675	4,397	1,884	-	52,946
Utilities	11,021	266	132	392	149	-	11,960
Depreciation	13,515	10,349	-	534	821	-	25,219
Grants and assistance	8,148	-	-	-	-	-	8,148
Interest	-	-	-	1,663	-	-	1,663
Bad debt	-	-	-	1,655	-	-	1,655
Miscellaneous	724	-	-	4,158	-	-	4,882
<b>Total expenses</b>	<b>\$ 190,386</b>	<b>\$ 73,949</b>	<b>\$ 26,252</b>	<b>\$ 116,126</b>	<b>\$ 24,801</b>	<b>\$ 9,826</b>	<b>\$ 441,340</b>
Less expenses netted against support and revenue on the statements of activities	-	-	-	-	-	(9,826)	(9,826)
<b>Total expenses included in the expenses section of the statements of activities</b>	<b>\$ 190,386</b>	<b>\$ 73,949</b>	<b>\$ 26,252</b>	<b>\$ 116,126</b>	<b>\$ 24,801</b>	<b>\$ -</b>	<b>\$ 431,514</b>

See accompanying notes.

**FONDY FOOD CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended October 31, 2018

	Program Services			Supporting Activities			Total Expenses
	Fondy Farmers Markets	Fondy Farm Project	Public Health Advocacy	Management and General	Fundraising	Direct Benefits to Donors	
Personnel	\$ 101,708	\$ 45,151	\$ 40,418	\$ 60,769	\$ 16,450	\$ -	\$ 264,496
Professional fees	206	260	600	29,147	-	-	30,213
Equipment rental and maintenance	2,024	3,681	-	328	-	-	6,033
Supplies	6,144	1,170	5,240	1,530	3,445	8,861	26,390
Telephone	2,308	1,640	308	1,529	301	-	6,086
Printing and postage	2,392	-	-	636	-	-	3,028
Insurance	2,486	794	423	3,615	476	-	7,794
Travel	150	186	2,971	653	-	-	3,960
Advertising	6,780	-	-	829	6,000	-	13,609
Dues and subscriptions	95	-	-	1,655	413	-	2,163
Staff development	373	-	434	546	-	-	1,353
Occupancy	37,432	3,837	1,980	5,197	2,227	-	50,673
Utilities	13,033	535	155	109	174	-	14,006
Depreciation	15,957	12,219	-	633	969	-	29,778
Grants and assistance	19,440	-	-	-	-	-	19,440
Interest	-	-	-	1,041	-	-	1,041
Miscellaneous	1,820	627	-	1,324	90	-	3,861
<b>Total expenses</b>	<b>\$ 212,348</b>	<b>\$ 70,100</b>	<b>\$ 52,529</b>	<b>\$ 109,541</b>	<b>\$ 30,545</b>	<b>\$ 8,861</b>	<b>\$ 483,924</b>
Less expenses netted against support and revenue on the statements of activities	-	-	-	-	-	(8,861)	(8,861)
<b>Total expenses included in the expenses section of the statements of activities</b>	<b>\$ 212,348</b>	<b>\$ 70,100</b>	<b>\$ 52,529</b>	<b>\$ 109,541</b>	<b>\$ 30,545</b>	<b>\$ -</b>	<b>\$ 475,063</b>

See accompanying notes.



**FONDY FOOD CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended October 31, 2019 and 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 31,552	\$ (101,742)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	25,219	29,778
(Increase) decrease in assets		
Accounts receivables	5,586	(3,621)
Grants receivable	-	46,052
Unconditional promises to give	(39,852)	20,232
Prepaid expenses	2,027	(3,108)
Increase (decrease) in liabilities		
Accounts payable	(652)	(35,678)
Accrued payroll	1,641	(3,027)
Deferred revenue	4,739	(390)
<b>Net cash flows from operating activities</b>	30,260	(51,504)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of leasehold improvements and equipment	-	(3,000)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Draws on line of credit	-	25,000
<b>Change in cash</b>	30,260	(29,504)
Cash at beginning of year	24,639	54,143
<b>Cash at end of year</b>	\$ 54,899	\$ 24,639
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid for interest	\$ 1,663	\$ 1,041

See accompanying notes.

**FONDY FOOD CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
October 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities**

Fondy Food Center, Inc. (Organization) is a non-profit organization that connects Greater Milwaukee to local, fresh food – from farm to table. They do this by supporting small-scale Wisconsin farmers to ensure the supply of fresh food to Milwaukee; offering cooking-based nutrition education for youth and adults; and filling the need for fresh, locally grown food in Milwaukee's North Side neighborhoods through a historic farmers market tradition.

**Accounts Receivable**

Accounts receivable primarily consist of rental income due from individuals. Accounts receivable are reported at the amount management expects to collect from outstanding balances. As of October 31, 2019 and 2018, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

**Promises to Give**

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**Leasehold Improvements and Equipment**

Leasehold improvements and equipment are capitalized and carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

**Contributions**

Contributions that are restricted by the donor 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

**FONDY FOOD CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
October 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, telephone, insurance, utilities, and occupancy, which are allocated on the basis of estimates of time and effort. The following program services and supporting activities are included in the accompanying financial statements:

*Fondy Farmers Markets* – Fondy Food Center brings healthy food and economic opportunity to Greater Milwaukee by operating local farmers markets throughout the year; providing access to land, resources and support to small-scale farmers; and building a better food system to improve food security & food justice in our community. The non-profit organization was created in 2000 on Milwaukee’s North Side as a response to Food Security & System Assessments that identified a high concentration of hunger, poverty, and dependence on emergency food pantries in the area – and the key role that the struggling Fondy Farmers Market played. The City of Milwaukee started the market in 1917 and managed operations until the budget was cut in the 1980’s. Farmers struggled to keep the market going until the Fondy Food Center was created with the explicit mandate to ensure the supply of fresh, locally grown food to the neighborhood. This market improves public health, strengthens the local economy, protects the environment, and serves as a community gathering space.

Over the past decade, Fondy Food Center has grown from one farmers market to an organization creating strategic food systems change with multi-sector partners. Fondy now operates two farmers markets – the Fondy Farmers Market, and the Milwaukee Winter Farmers Market - that supported a total of 122 vendors and tens of thousands of shoppers in 2019. In 2010, Fondy started the Fondy Farm Project, which supports low-resource farmers gain access to the land, resources, and support they need to operate a successful business. In 2015, in order to expand the agency’s public health impact, Fondy launched the Milwaukee Farmers Market Coalition – a city-wide healthy, local food access initiative that connects more low-income consumers to more Milwaukee area farmers markets. In 2017 Fondy partnered with the City of Milwaukee to build a new eco park and community gathering space next to the Fondy Farmers Market. The Fondy Farmers Market (FFM): FFM is Milwaukee’s largest and most diverse farmers market and the springboard for the agency’s healthy food efforts. It is a national leader in connecting with low-income and diverse consumers, and is the state leader in farmers market SNAP redemption and nutrition incentive programs. The FFM’s open air market creates space for the community—shoppers of all ages, organization representatives, artists, and performers—to connect with each other and the more than 40 producers which sell at the Market from June through November. Tens of thousands of shoppers visit the market each year—primarily drawing from the Milwaukee’s North Side. The market has long been recognized as a key community gathering space and the new Fondy Park greatly expands that role.

**FONDY FOOD CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
October 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Milwaukee Winter Farmers Market (MWFM): The MWFM is the premier winter farmers market in the region. Its longtime mission is to promote local, sustainable agriculture; increase economic opportunities for small family farms and innovative food businesses; provide equitable access to wholesome food; and build a vibrant gathering place for metro Milwaukee residents and visitors. Fondy Food Center took over stewardship of this market in the fall of 2015.

*Fondy Farm Project* – The Fondy Farm Project was established by the Organization in 2010, to support farmers selling at the Fondy Farmers Market and ensure the continued supply of fresh produce to the market. When it was realized that Fondy’s primarily low income, Hmong American farmers were dropping out of farming due to numerous challenges, Fondy responded by establishing the Fondy Farm just 30 miles north of Milwaukee in Port Washington, WI. The FFP offers affordable, long-term leases on quality land plus the amenities needed to succeed, such as irrigation, green houses, tractors, as well as technical training and business assistance from the Fondy Farm Director. In 2017, responding to increased demand for farmland, and land closer to the City of Milwaukee where most of our farmers live, FFC added a second farm site at the Mequon Nature Preserve (MNP) and doubled the number of farmers involved in the project to 22.

*Public Health Advocacy* – Led by the Organization, the Milwaukee Farmers Market Coalition partners are working together to build a healthier and more equitable food system across Milwaukee. This city-wide healthy food access initiative convenes farmers markets, healthcare organizations, government agencies, hunger relief organizations and other organizations in order to increase access to, and utilization of, farmers markets by low income consumers. This work is increasing produce intake within Milwaukee area communities while strengthening the local economy through technical assistance, training, and joint marketing efforts.

*Management and General* – Includes accounting and production of financial reports, oversight of the annual budget, supervision of departments and programs, maintenance of personnel records, attending general board and committee meetings, and any other administrative and office services necessary for the Organization.

*Fundraising* – Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Tax Status**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**FONDY FOOD CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
October 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Adoption of New Accounting Pronouncement**

The Organization adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, as of and for the year ended October 31, 2019. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The changes required by the update have been applied retrospectively to all periods presented. A key change required by the update are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

**Reclassifications**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

**Date of Management's Review**

Management has evaluated subsequent events through September 28, 2020, the date which the financial statements were available to be issued.

NOTE 2—LINE OF CREDIT

The Organization had a \$30,000 revolving line of credit which had an outstanding balance at October 31, 2019 and 2018 of \$25,000. The line carried a fixed interest rate of 6.25% with a maturity date of March 27, 2020. On January 30, 2020, the line was restructured into a loan payable in monthly installments of \$483, including principal and interest at 6.00%. The note matures on February 6, 2025 and is secured by a general business security agreement and a UCC filing against the Organization's assets.

Principal payments for the following years ending October 31 are:

2020	\$ 2,917
2021	4,600
2022	4,884
2023	5,185
2024	5,505
Thereafter	<u>1,909</u>
	<u>\$ 25,000</u>

**FONDY FOOD CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
October 31, 2019 and 2018

**NOTE 3—NET ASSETS**

Net assets with donor restrictions are restricted for the following purposes or periods:

	2019	2018
Future years' operations	\$ 19,749	\$ 40,897
Fondy Farmers Markets	40,000	-
Future years' rent	1,500	-
	\$ 61,249	\$ 40,897

**NOTE 4—IN-KIND CONTRIBUTIONS**

The fair value of in-kind contributions included in the financial statements and the corresponding expenses are as follows:

	2019			
	Fondy Farmers Markets	Fondy Farm Project	Management and General	Total Expenses
Professional fees	\$ -	\$ -	\$ 10,387	\$ 10,387
Equipment rental and maintenance	-	116	-	116
Advertising	2,515	-	-	2,515
Occupancy	6,000	1,800	-	7,800
	\$ 8,515	\$ 1,916	\$ 10,387	\$ 20,818
	2018			
	Fondy Farmers Markets	Fondy Farm Project	Management and General	Total Expenses
Professional fees	\$ -	\$ -	\$ 8,862	\$ 8,862
Advertising	4,810	-	-	4,810
Occupancy	1,000	1,800	-	2,800
	\$ 5,810	\$ 1,800	\$ 8,862	\$ 16,472

**NOTE 5—LEASES**

The Organization leases office space, farm land, and space for farmers markets under non-cancellable operating leases requiring monthly payments ranging from \$150 to \$1,300 ending through May 2021. Future minimum rental payments for the years ending October 31, 2020 and 2021 is \$20,725 and \$9,100, respectively.

**FONDY FOOD CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
October 31, 2019 and 2018

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NOTE 5—LEASES (continued)

The Organization also leases market and park parcels in Milwaukee, Wisconsin from the City of Milwaukee. The lease required rent payments of \$500 through August 31, 2018. Effective September 1, 2018 the original lease terms were terminated. The new lease agreement requires annual lease payments of \$1 through August 31, 2028. The lease may terminate by either party with 90 days notice.

Lease expense for the years ended October 31, 2019 and 2018 was \$52,946 and \$50,673, respectively.

During the year, the Organization sublet farm land to individuals and organizations requiring rental payments to be received of \$300 per year per acre. The leases may terminate by either party with 120 days notice. The Organization also rents space to individuals and organizations for farmers markets on a daily or seasonal basis.

Rental income for the years ended October 31, 2019 and 2018 was \$89,271 and \$90,743, respectively.

NOTE 6—PENSION PLAN

The Organization sponsors a SIMPLE IRA for its employees. The Organization matches each participant's contributions dollar-for-dollar up to 1%, but not more than \$10,500. The Organization's retirement expense for the years ended October 31, 2019 and 2018 was \$1,925 and \$2,609, respectively. The Organization is delinquent in transferring employer and employee contributions to the plan. At October 31, 2019 and 2018, accrued payroll included SIMPLE IRA balances of \$5,347 and \$5,307, respectively.

NOTE 7—LIQUIDITY AND AVAILABILITY

The table below presents financial assets available for general expenditures within one year of the date of the statement of financial position:

Financial assets at end of year:	
Cash	\$ 54,899
Accounts receivable	2,718
Unconditional promises to give	<u>80,749</u>
Total financial assets at end of year	138,366
Less amounts unavailable for general expenditures within one year:	
Restricted by donors with purpose restrictions	<u>(41,500)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 96,866</u></u>

**FONDY FOOD CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
October 31, 2019 and 2018

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NOTE 7—LIQUIDITY AND AVAILABILITY (continued)

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 8—SUBSEQUENT EVENT

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which could impact contributions received, events being held, absenteeism of the Organization's workforce, ability to provide program services, and operating results. The related financial impact and duration cannot be reasonably estimated at this time.