

**SOUTH CAROLINA HUNTERS  
AND LANDOWNERS FOR THE HUNGRY**

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**Independent Accountants' Review Report**

**Financial Statements  
December 31, 2019**

# **SOUTH CAROLINA HUNTERS AND LANDOWNERS FOR THE HUNGRY**

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Independent Accountants' Review Report

**To Management**

South Carolina Hunters and Landowners for the Hungry  
Spartanburg, South Carolina

We have reviewed the accompanying financial statements of South Carolina Hunters and Landowners for the Hungry (a non-profit corporation), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility**

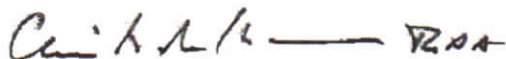
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Auditors' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

 RBA

Gaffney, SC  
July 7, 2020

**SOUTH CAROLINA HUNTERS AND LANDOWNERS FOR THE HUNGRY**  
Statement of Financial Position  
December 31, 2019

**ASSETS**

Current Assets	
Cash and Cash Equivalents	\$ 49,756
Property, Plant and Equipment	
Equipment	44,220
Less Accumulated Depreciation	<u>(13,326)</u>
	<u>30,894</u>
	 <u>\$ 80,650</u>

**LIABILITIES AND NET ASSETS**

Net Assets	
Without Donor Restrictions	<u>80,650</u>
	 <u>\$ 80,650</u>

The accompanying notes are an integral part of these financial statements.

**SOUTH CAROLINA HUNTERS AND LANDOWNERS FOR THE HUNGRY**  
Statement of Activities  
For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>CHANGES IN NET ASSETS</b>			
<b>WITHOUT DONOR RESTRICTIONS</b>			
Revenues, Gains and Other Support			
Contributions and Grants	\$ 110,260	-	110,260
Fundraising	37,342	-	37,342
Total Revenues, Gains and Other Support			
Without Donor Restrictions	147,602	-	147,602
Net Assets Released from Restriction	-	-	-
<b>Expenses</b>			
Program Services			
Wild Game Processing & Distribution	111,464	-	111,464
Other Food Items & Distribution	-	-	-
Total Program Services	111,464	-	111,464
Supporting Services			
Management and General	3,216	-	3,216
Fund Raising	10,141	-	10,141
Total Supporting Services	13,357	-	13,357
Total Expenses	124,821	-	124,821
<b>Increase (Decrease) in Net Assets</b>			
<b>Without Donor Restrictions</b>	22,781	-	22,781
Net Assets - Beginning of Year	57,869	-	57,869
Net Assets - End of Year	\$ 80,650	-	80,650

The accompanying notes are an integral part of these financial statements.

**SOUTH CAROLINA HUNTERS AND LANDOWNERS FOR THE HUNGRY**Statement of Functional Expenses  
For the Year Ended December 31, 2018

	Program Services		
	Wild Game Processing and Distribution	Food Supplies and Distribution	Total Program Services
Processors	\$ 72,626	-	72,626
Trucking, Delivery	4,200	-	4,200
Vehicle Expense	4,071	-	4,071
Telephone, Internet, Web Page	302	-	302
Professional Fees	-	-	-
Bank Fees	-	-	-
Printing	-	-	-
Supplies	1,226	-	1,226
Utilities	9,725	-	9,725
Insurance	798	-	798
Repairs	1,542	-	1,542
Food Supplies	-	12,354	12,354
Miscellaneous	78	-	78
Non-Cash Prizes	421	-	421
Food and Beverages	-	-	-
Entertainment	-	-	-
Other Direct Expense	959	-	959
Total Before Depreciation	95,948	12,354	108,302
Depreciation	3,162	-	3,162
	<u>\$ 99,110</u>	<u>12,354</u>	<u>111,464</u>

The accompanying notes are an integral part of these financial statements.



**SOUTH CAROLINA HUNTERS AND LANDOWNERS FOR THE HUNGRY**

## Statement of Functional Expenses, Continued

For the Year Ended December 31, 2018

	<u>Supporting Services</u>			
	Management and General	Fund Raising	Total Supporting Services	Total Expenses
Processors	\$ -	-	-	76,626
Trucking, Delivery	-	-	-	4,200
Vehicle Expense	-	-	-	4,071
Telephone, Internet, Web Page	-	-	-	302
Professional Fees	850	-	850	850
Bank Fees	157	-	157	157
Printing	1,173	-	1,173	1,173
Supplies	578	-	578	1,804
Utilities	-	-	-	9,725
Insurance	-	-	-	798
Repairs	-	-	-	1,542
Food Supplies	-	-	-	12,354
Miscellaneous	358	-	358	436
Non-Cash Prizes	-	5,575	5,575	5,996
Food and Beverages	-	1,297	1,297	1,297
Entertainment	-	200	200	200
Other Direct Expense	100	3,069	3,169	4,128
Total Before Depreciation	3,216	10,141	13,357	121,659
Depreciation	-	-	-	3,162
	<u>\$ 3,216</u>	<u>10,141</u>	<u>13,357</u>	<u>124,821</u>

The accompanying notes are an integral part of these financial statements.

**SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**Statement of Cash Flows  
For the Year Ended December 31, 2019

Cash Flows From Operating Activities	
Cash Received from Contributors and Grantors	\$ 110,260
Cash Received from Fundraising Events	37,342
Cash Paid to Vendors and Suppliers	(121,659)
	<u>25,943</u>
Cash Flows From Investing Activities	
Purchase of Vehicle Equipment	(6,440)
	<u>-</u>
Cash Flows From Financing Activities	
Net Increase (Decrease) in Cash and Cash Equivalents	19,503
Cash and Cash Equivalents	
Beginning of Year	<u>30,253</u>
End Of Year	<u><u>\$ 49,756</u></u>
Reconciliation of Changes in Net Assets to Net Cash	
Provided by Operating Activities	
Change in Net Assets	\$ 22,781
Adjustments to Reconcile Changes in Net Assets to Net Cash	
Provided by Operating Activities	
Depreciation and Amortization	<u>3,162</u>
Net Cash Provided By Operating Activities	<u><u>\$ 25,943</u></u>

The accompanying notes are an integral part of these financial statements.



## **SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**

### **Notes to Financial Statements**

#### **1. ORGANIZATION AND PURPOSE**

South Carolina Hunters and Landowners for the Hungry (the Organization), a non-profit corporation was incorporated on June 3, 2004 under the laws of the State of South Carolina, whose purpose is to function as a charitable organization pursuant to the Internal Revenue Code of the United States; to coordinate distribution of venison and facilitate the efforts of hunters, landowners and other charitable organizations for the benefit of the needy; and to educate hunters, landowners and others regarding hunting, safety, conservations and related matters. Support for the Organization's program of services and operations is received from individuals, churches and other companies, organizations and charitable organizations located primarily in Spartanburg County, South Carolina.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Financial Statement Presentation**

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

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

##### **Net Assets without Donor Restrictions**

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

##### **Net Assets with Donor Restrictions**

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

##### **B. Method of Accounting**

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting.

##### **C. Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

## **SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**

### **Notes to Financial Statements, Continued**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

##### **D. Contributions**

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

##### **E. Donated Services**

A substantial number of volunteers have made significant contributions of their time to the Organization's program and supporting services. The value of this contributed time generally is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

##### **F. Fund Raising Revenues**

The organization holds an annual banquet which involves ticket sales, an auction and donated prizes.

##### **G. Functional Expenses**

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program and supporting service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using estimates of employee time or space utilization as a basis for allocation.

##### **H. Income Tax Status**

The Organization has received exemption from income taxes under section 501(c)(3) of the Internal Revenue Code in an exemption letter dated December 1, 2004.

##### **I. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



## **SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**

### **Notes to Financial Statements, Continued**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

##### **J. Fair Value Measurements and Disclosures**

Effective July 1, 2011 the Organization adopted Statement of *Fair Value Measurements and Disclosures*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques the Organization is required to provide information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories.

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

At December 31, 2019, the Organization has no assets or liabilities subject to fair value measurement.

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The 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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

## **SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**

### **Notes to Financial Statements, Continued**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among animal services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The various expenses are allocated generally based on time and effort or square footage.

#### **3. CONCENTRATIONS OF CREDIT RISK**

The Organization maintains bank accounts at one bank. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. The Organization had no amount in excess of the FDIC limit at December 31, 2019.

#### **4. LIQUIDITY**

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and Cash Equivalents	<u>\$49,756</u>
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All of the Organization's financial assets are available for general use.

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 and accordingly maintains cash balances to accomplish this objective.

#### **5. PROPERTY, PLANT AND EQUIPMENT**

Equipment consists of two refrigeration units and a delivery van, which are being depreciated on the straight-line basis over the estimated useful lives of the respective assets, which for the cooling equipment is 10 years, and for the delivery van, 5 years.

#### **6. SPECIAL EVENTS**

Special events generate revenue for the Organization as well as raise awareness about the organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly. Incidental events are recorded net in the accompanying Statement of Activities. The Organization held one annual event during the year ended December 31, 2019 related to its annual banquet as follows:

Revenues:		
Special Event Revenue	\$ 37,342	
Less: Costs of Direct Benefits to Donors	<u>7,072</u>	
Net Revenues from Special Events		<u>30,270</u>
Expenses:		
Fundraising		<u>3,069</u>
Increase in Net Assets Without Donor Restrictions		<u>\$ 27,201</u>



**SOUTH CAROLING HUNTERS AND LANDOWNERS FOR THE HUNGRY**  
Notes to Financial Statements, Continued

**7. CONTINGENCIES / COMMITMENTS**

Due to the nature of the Organization's normal activities, it is routinely subject to a variety of claims and demands by various individuals and entities. Loss contingencies are situations involving uncertainties as to possible loss. The uncertainties are resolved when certain events occur or fail to occur. Loss contingencies may result for litigation, claims, audit disallowances, threatened property loss, or uncollectible receivables. Such situations are loss contingencies if the related liability has not been recorded, yet a loss is reasonably possible. Guarantees of others' debts are loss contingencies, however, even if the probability of loss is remote. Habitat maintains insurance against certain loss contingencies with liability policies and physical damage coverage. At the date of this report, management is not aware of any contingencies that will result in any material loss to the Organization.

**8. OPERATING LEASE**

The Company operates in the National Guard Armory facility in Pacolet, SC which is leased for \$1 per year for 15 years. The lease expires in 2031. All refrigeration equipment is at this location.

**9. SUBSEQUENT EVENTS**

Management has, through the date the financial statements were available to be issued, June 6, 2020, considered whether events have occurred or circumstances exist subsequent to the date of the financial statements, December 31, 2019, that would have materially significant effect on the carrying amounts of assets or liabilities, including estimates, and no such items have been identified.

Due to the COVID 19 Pandemic that has materialized during the fiscal year ended, December 31, 2019, the Organization is evaluating what effect it will have on its operation with respect to revenues and support including timing concessions, the ability to obtain necessary food and meat product and supplies, manage and protect the health and safety of our volunteers and patrons, including the stability of the support workforce, and the ability to be mobile, access service locations, and continue to provide essential product and services at an appropriate level, all within the guidelines and mandates of federal, state and local governments and officials. At this time, as of the date of this report, the management is unsure of the effect of this circumstance and will be monitoring and evaluating on an ongoing basis to determine the effect of this on its ongoing operations, and the value of its assets and obligations long term.