

## **THE BIG TABLE**

### FINANCIAL STATEMENTS

December 31, 2021 and 2020

## THE BIG TABLE

### FINANCIAL STATEMENTS December 31, 2021 and 2020

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## INDEPENDENT AUDITORS' REPORT



To the Board of Directors  
The Big Table  
Spokane, Washington

We have audited the accompanying financial statements of The Big Table (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Big Table as of December 31, 2021 and 2020, 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Big Table and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Big Table's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Big Table's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Big Table's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Fruci and Associates*

Spokane, Washington  
June 17, 2022

**THE BIG TABLE**  
**STATEMENTS OF FINANCIAL POSITION**

December 31, 2021 and 2020

	<b>Assets</b>	
	<b>2021</b>	<b>2020</b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,732,032	\$ 2,038,020
Beneficial interest in assets held by Innovia Foundation	47,792	10,833
Prepaid expenses	4,750	5,425
<b>Total current assets</b>	<b>1,784,574</b>	<b>2,054,278</b>
<b>Property and equipment</b>		
Furniture and equipment	64,732	57,364
Accumulated depreciation and amortization	(27,765)	(23,066)
<b>Net property and equipment</b>	<b>36,967</b>	<b>34,298</b>
<b>Total assets</b>	<b>\$ 1,821,541</b>	<b>\$ 2,088,576</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 3,197	\$ 1,071
Deferred revenue	5,020	233,686
<b>Total current liabilities</b>	<b>8,217</b>	<b>234,757</b>
<b>Total liabilities</b>	<b>8,217</b>	<b>234,757</b>
<b>Net assets</b>		
Without donor restrictions	1,589,716	1,397,126
With donor restrictions	223,608	456,693
<b>Total net assets</b>	<b>1,813,324</b>	<b>1,853,819</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,821,541</b>	<b>\$ 2,088,576</b>

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

**BIG TABLE**  
**STATEMENTS OF ACTIVITIES**

For the years ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and other support</b>						
Public support	\$ 1,425,792	\$ 385,727	\$ 1,811,519	\$ 2,303,286	\$ 821,610	\$ 3,124,896
Fundraising	477,076	-	477,076	591,018	-	591,018
Loan forgiveness income	-	-	-	153,400	-	153,400
Interest income	18,052	-	18,052	8,474	-	8,474
Revenue released from restrictions	618,812	(618,812)	-	-	(399,381)	(399,381)
<b>Total revenue and other support</b>	<b>2,539,732</b>	<b>(233,085)</b>	<b>2,306,647</b>	<b>3,056,178</b>	<b>422,229</b>	<b>3,478,407</b>
<b>Expenses</b>						
Program	2,030,806	-	2,030,806	1,758,079	-	1,758,079
Management and general	244,700	-	244,700	117,391	-	117,391
Fundraising	71,636	-	71,636	36,127	-	36,127
<b>Total expenses</b>	<b>2,347,142</b>	<b>-</b>	<b>2,347,142</b>	<b>1,911,597</b>	<b>-</b>	<b>1,911,597</b>
<b>Change in net assets</b>	<b>192,590</b>	<b>(233,085)</b>	<b>(40,495)</b>	<b>1,144,581</b>	<b>422,229</b>	<b>1,566,810</b>
<b>Net assets, beginning of year</b>	<b>1,397,126</b>	<b>456,693</b>	<b>1,853,819</b>	<b>252,545</b>	<b>34,464</b>	<b>287,009</b>
<b>Net assets, end of year</b>	<b>\$ 1,589,716</b>	<b>\$ 223,608</b>	<b>\$ 1,813,324</b>	<b>\$ 1,397,126</b>	<b>\$ 456,693</b>	<b>\$ 1,853,819</b>

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

**BIG TABLE**  
**STATEMENTS OF FUNCTIONAL EXPENSES**

For the year ended December 31, 2021 and 2020

	2021				2020			
	Program Activities	Management and General	Fundraising	Total	Program Activities	Management and General	Fundraising	Total
Personnel expenses	\$ 1,154,362	\$ 56,321	\$ -	\$ 1,210,683	\$ 795,021	\$ 36,565	\$ -	\$ 831,586
Other employee benefits	68,845	13,113	-	81,958	51,137	9,025	-	60,162
Payroll taxes	73,256	13,954	-	87,210	47,576	8,396	-	55,972
Direct care expenses	463,713	88,326	-	552,039	707,095	-	-	707,095
General and administrative	102,957	30,598	66,062	199,617	72,958	24,320	-	97,278
Occupancy	72,855	13,877	-	86,732	49,485	16,495	-	65,980
Development expenses	26,012	5,574	5,574	37,160	2,432	11,348	36,127	49,907
Depreciation	3,800	1,266	-	5,066	2,965	988	-	3,953
Other	65,006	21,671	-	86,677	29,410	10,254	-	39,664
Total expenses	\$ 2,030,806	\$ 244,700	\$ 71,636	\$ 2,347,142	\$ 1,758,079	\$ 117,391	\$ 36,127	\$ 1,911,597

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

**THE BIG TABLE**  
**STATEMENTS OF CASH FLOWS**

For the years ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (40,495)	\$ 1,566,810
Adjustments to reconcile changes in assets to net cash:		
Depreciation and amortization expense	4,699	3,953
Loss on disposal of property and equipment	-	451
Change in value of beneficial interest in assets held by Innovia	(36,959)	(10,833)
(Increase) decrease in assets:		
Prepaid expenses	675	1,103
Other current assets	-	856
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,126	(11,288)
Accrued payroll and related expenses	-	(9,077)
Deferred revenue	(228,666)	218,578
<b>Net cash provided by operating activities</b>	<b>(298,620)</b>	<b>1,760,553</b>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(7,368)	(8,289)
<b>Cash flows from financing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	<b>(305,988)</b>	<b>1,752,264</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>2,038,020</b>	<b>285,756</b>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 1,732,032</u></b>	<b><u>\$ 2,038,020</u></b>

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



## THE BIG TABLE

### NOTES TO THE FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

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#### Note 1 – Nature of the Organization

The Big Table ("Big Table" or "the Organization") is a Washington nonprofit corporation which was incorporated on March 15, 2007. Our industry – the restaurant and hospitality industry – is full of amazing and gifted people and hires people no other industry will. These hard-working people have significantly increased risk for financial and emotional crisis as compared to other industries. Yet because hospitality workers are naturally required to keep smiles on their faces, their needs are virtually invisible to the world. Their job is to serve and take care of others – Big Table's mission is to walk alongside and help take care of them when they need it most. Current locations of offices are Spokane, Washington; Seattle, Washington (see Note 9); Nashville, Tennessee; and San Diego, California. There are also satellite offices in the metropolitan areas of the office locations.

During 2020, the impact of COVID-19 on employees in the hospitality industry received significant public attention and as a result, Big Table experienced a significant increase in donors and expenses during the year as a result of the impacts of shutdowns to restaurants. In addition, awareness arose in the public media regarding financial and emotional hardships held by employees working in the hospitality industry. The donations received were not used entirely in 2020 and will be held for future direct care expenses for hospitality workers such as medical assistance and items related to food and shelter for workers and their families.

#### Note 2 – Significant Accounting Policies

##### Basis of Presentation

The financial statements of Big Table have been prepared on the accrual basis of accounting under accounting principles generally accepted in the United States of America (GAAP). For the purposes of financial reporting, Big Table classifies resources into two net asset categories pursuant to any donor-imposed restrictions. Accordingly, the net assets of Big Table are classified and reported as follows:

Net assets without donor restrictions – Consists of net assets that are not subject to donor-imposed stipulations. These net assets are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. Currently, the Board has designated a portion of net assets without donor restrictions as operating and strategic marketing reserves.

Net assets with donor restrictions – Consists of net assets subject to donor-imposed time and/or purpose restrictions. Big Table reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

##### Cash and Cash Equivalents

Big Table considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Big Table had cash balances in excess of federally-insured limits in the amount of \$961,714 as of December 31, 2021.

## THE BIG TABLE

### NOTES TO THE FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

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#### Use of Estimates

The preparation of financial statements in conformity with United States 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### Property and Equipment

Property and equipment purchased are carried at cost, net of accumulated depreciation. Donated property and equipment are carried at estimated fair value at date of donation. Intangible assets purchases are carried at cost, net of accumulated amortization. Acquisitions of \$2,500 or less are charged to expense. Depreciation is computed primarily by the straight-line method over the estimated useful lives of the assets, ranging from 5 to 20 years.

#### Revenue Recognition

Big Table recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Consequently, on December 31, 2021, contributions of \$5,020 have not been recognized in the accompanying statement of activities because the conditions on which they depend has not yet been met.

Big Table received a significant amount of revenue from donors in response to COVID-19 economic impacts. If these donors were to reduce future funding, it could impact Big Table's financial position, results of operations, and cash flows.

#### Functional Allocation of Expenses

Expenses directly attributable to a specific functional area of Big Table is reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across program activities based on the proportion of full-time employee equivalents of a program activity versus the total organizational full-time employee equivalents. The following table provides a summary of the allocation methodology for each category of expense:

<b>Expense Category</b>	<b>Method of Allocation</b>
Personnel and related expenses	Time and effort/staff count
Direct care expenses	Direct
General and administrative	Time and effort
Occupancy	Time and effort
Development expenses	Direct
Depreciation	Time and effort
Other	Time and effort

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### NOTES TO THE FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

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#### Advertising

Advertising and marketing costs are charged to expense as incurred. Marketing and promotion costs totaled \$26,259 and \$12,449 in 2021 and 2020, respectively.

#### Income Taxes

Big Table is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

#### Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). Big Table groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

- |         |   |
|---------|---|
| Level 1 | Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.   |
| Level 2 | Other observable inputs, either directly or indirectly, including: <ul style="list-style-type: none"><li>• Quoted prices for similar assets/liabilities in active markets;</li><li>• Quoted prices for identical or similar assets in non-active markets;</li><li>• Inputs other than quoted prices that are observable for the asset/liability; and,</li><li>• Inputs that are derived principally from or corroborated by other observable market data.</li></ul> |
| Level 3 | Unobservable inputs that cannot be corroborated by observable market data.  |

The respective carrying values of financial assets or liabilities on the statements of financial position approximate their fair values due to the short-term nature of the assets or liabilities.

#### Subsequent Events

Management has evaluated subsequent events through June 17, 2022, which is the date these financial statements were available to be issued.

### **Note 3 – Leases**

Big Table leases office space under various operating leases expiring through May 31, 2023. Future minimum lease obligations are as follows:

2022	\$	35,608
2023		2,700
	\$	<u>38,308</u>

## THE BIG TABLE

### NOTES TO THE FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

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#### Note 4 – Retirement Contributions

Big Table holds a SIMPLE IRA plan in which employees' contributions are matched up to 3% of eligible salaries. In order for employees to participate in the plan, they must have earned at least \$5,000 in wages from Big Table in the prior year. Employer contributions were \$18,627 and \$13,757 for the years ended December 31, 2021 and 2020, respectively.

#### Note 5 – Beneficial Interest in Assets Held by Innovia Foundation

During 2020, Big Table established the Big Table Endowment Fund ("the Fund") with Innovia (a nonprofit corporation in Spokane, Washington) by a transfer of \$10,000 to Innovia. An additional \$30,000 was added to the account in 2021.

The Fund is considered an agency endowment fund of Innovia and Big Table is the Fund's designated beneficiary. Accordingly, Big Table has a beneficial interest in the Fund's assets held by Innovia. The distributable income of the Fund is subject to assessment for the costs of fund administration by Innovia and will be distributed to Big Table, to be used for its charitable purposes, provided that at the time of such distribution Big Table has retained its nonprofit tax status.

Since this account resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted board designated net assets. Innovia's spending policies are designed to protect the long-term viability of endowments by addressing the distribution of assets, investment authority, delegation of investment management, standards of conduct and releasing of restrictions on the use of the endowment or investments. The distributable amount is based on the average market value over a 13-quarter rolling average.

#### Note 6 – Liquidity and Availability of Resources

Big Table strives to maintain liquid financial assets sufficient to maintain a reserve of \$500,000 for general expenditures. The following table reflects Big Table's financial assets as of December 31, 2021 and 2020, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date. A summary of assets available as of yearend to meet general expenditures is as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	<u>\$ 1,732,032</u>	<u>\$ 2,038,020</u>
Total financial assets	<u>1,732,032</u>	<u>2,038,020</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>223,608</u>	<u>456,693</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,508,424</u>	<u>\$ 1,581,327</u>

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### NOTES TO THE FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

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#### Note 7 – Note Payable

During 2020, Big Table received a loan from the Small Business Administration under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), provides assistance to qualifying businesses. The principal and any accrued interest are forgivable as long as the borrower uses the proceeds for eligible purposes and maintains employment at the appropriate threshold. Management has elected to recognize the loan as a conditional contribution and used the funds for eligible purposes, including payroll, benefits, rent, and utilities. Big Table used the proceeds for purposes consistent with the PPP loan and the loan was forgiven.

#### Note 8 – Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods as of December 31:

	2021	2020
Direct assistance	\$ 9,415	\$ 8,070
Housing assistance	10,000	89,509
Food stability	-	204,140
Expansion	131,550	134,974
COVID-19 relief	-	10,000
Dental assistance	12,831	10,000
Nashville operations	50,000	-
Videos for events	9,812	-
Net assets released from restrictions	\$ 223,608	\$ 456,693

#### Note 9 – Subsequent Events

During 2022, the Seattle office was closed due to soaring costs and pandemic-related challenges. An early termination fee was paid and there are no longer future minimum lease payments owed. Big Table is continuing to work with local partners to provide support through a volunteer network in the Seattle area.

During January 2022, one Spokane lease was terminated and replaced with another lease effective February 1, 2022. The term of the lease is 24 months at a rate of \$1,853 per month.