THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

For The Years Ended December 31, 2024 And 2023

WollackLewitz LLC
Certified Public Accountants & Advisors
Old Saybrook | Madison
Connecticut

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

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WollackLewitz LLC
Certified Public Accountants & Advisors

Joseph J. Wollack, CPA
Brendan E. Redfield, CPA
Mark D. Matlosz, CPA

Independent Auditor's Report

To The Board Of Directors
The Shoreline Soup Kitchens & Pantries, Inc.
Essex, CT

Opinion

We have audited the accompanying financial statements of **THE SHORELINE SOUP KITCHENS & PANTRIES, INC.** (a nonprofit organization), which comprise the statements of assets and net assets – modified cash basis of as of December 31, 2024, and 2023, and the related statements of support, revenue and expenses – modified cash basis, and the statements of functional expenses – modified cash basis 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 Shoreline Soup Kitchens & Pantries, Inc. as of December 31, 2024 and 2023, and the changes in its net assets for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Shoreline Soup Kitchens & Pantries, Inc. 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.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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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 Shoreline Soup Kitchens & Pantries, Inc.'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 auditor's 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 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.

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 the 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 Shoreline Soup Kitchen & Pantries, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Shoreline Soup Kitchen & Pantries, Inc.'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.

WallackLewitz

Certified Public Accountants
Old Saybrook, Connecticut

September 9, 2025

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Statements Of Assets And Net Assets – Modified Cash Basis

For The Years Ended December 31, 2024 And 2023

	2024	2023
ASSETS		
Current Assets		
Cash And Equivalents	$ 877,202	$ 1,053,162
Investments At Cost	2,374,884	1,949,868
Inventory	133,239	105,494
Total Current Assets	3,385,325	3,108,524
Equipment And Vehicles		
Cost	263,571	254,450
Accumulated Depreciation	142,719	113,370
Net Book Value	120,852	141,080
Total Assets	$ 3,506,177	$ 3,249,604
NET ASSETS		
With Donor Restrictions	$ 4,800	$ -
Without Donor Restrictions	3,501,377	3,249,604
Total Net Assets	$ 3,506,177	$ 3,249,604

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Statements Of Support, Revenue And Expenses – Modified Cash Basis

For The Years Ended December 31, 2024 And 2023

	2024	2023
Changes In Unrestricted Net Assets		
Unrestricted Support And Revenue:		
Contributions	1,204,647	1,274,636
In-Kind Contributions - Food And Other	928,156	1,026,795
Net Investment Income	74,278	49,875
Gain On Disposition Of Assets	3,222	16,200
Total Unrestricted Support And Revenue	2,210,303	2,367,506
Net Assets Released From Restrictions:		
Restrictions Satisfied By Payments	13,400	70,000
Net Assets Released From Restrictions:	13,400	70,000
Expenses		
Program Services	1,715,344	1,913,407
Management And General	166,633	160,191
Fundraising	89,953	77,485
Total Expenses	1,971,930	2,151,083
Increase (Decrease) In Net Assets Without Donor Restrictions	251,773	286,423
Restricted Support And Revenue:		
Contributions	18,200	20,000
Net Assets Released From Restrictions:		
Restrictions Satisfied By Payments	(13,400)	(90,000)
Increase (Decrease) In Net Assets With Donor Restrictions	4,800	(70,000)
Total Increase (Decrease) In Net Assets	256,573	216,423
Net Assets At Beginning Of Year	3,249,604	3,033,181
Net Assets At End Of Year	$ 3,506,177	$ 3,249,604

THE SHORELINE SOUP KITCHENS
& PANTRIES, INC.
(A Nonprofit Organization)

Statement Of Functional Expenses – Modified Cash Basis

For The Year Ended December 31, 2023

	Program	Management And General	Fundraising	Total
Food And Kitchen Supplies	$ 1,544,850	$ -	$ -	$ 1,544,850
Salaries	265,989	129,067	48,812	443,868
Payroll Taxes	22,464	10,858	4,118	37,440
Accounting & Bookkeeping Fees	-	13,000	-	13,000
Telephone/Internet	2,924	-	-	2,924
Postage & Shipping	2,967	216	6,281	9,464
Printing & Publications	1,380	60	18,274	19,714
Vehicle Expense	15,446	-	-	15,446
Insurance	21,961	-	-	21,961
Repairs & Maintenance	4,651	-	-	4,651
Memberships	230	-	-	230
Technology	3,080	-	-	3,080
Office	2,330	6,990	-	9,320
Training/Development	1,112	-	-	1,112
Depreciation	24,023	-	-	24,023
	$ 1,913,407	$ 160,191	$ 77,485	$ 2,151,083

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Statement Of Functional Expenses – Modified Cash Basis

For The Year Ended December 31, 2024

	Program	Management And General	Fundraising	Total
Food And Kitchen Supplies	$ 1,345,400	$ -	$ -	$ 1,345,400
Salaries	251,790	134,208	53,240	439,238
Payroll Taxes	18,925	10,292	3,984	33,201
Accounting & Bookkeeping Fees	-	13,500	-	13,500
Telephone/Internet	3,034	-	-	3,034
Postage & Shipping	3,560	222	7,528	11,310
Printing & Publications	2,349		25,201	27,550
Vehicle Expense	10,943	-	-	10,943
Insurance	25,198	-	-	25,198
Repairs & Maintenance	6,624	-	-	6,624
Memberships	339	-	-	339
Technology	3,378	-	-	3,378
Office	2,803	8,411	-	11,214
Training/Development	5,417	-	-	5,417
Depreciation	35,584	-	-	35,584
	$ 1,715,344	$ 166,633	$ 89,953	$ 1,971,930

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Notes To The Financial Statements

For The Years Ended December 31, 2024 And 2023

1) Summary Of Significant Accounting Policies

Nature Of Operations – **The Shoreline Soup Kitchens & Pantries, Inc.** (the Organization) is a non-stock corporation, formed under and recognized by Connecticut law. Originally founded in 1989 at the First Baptist Church in Essex, Connecticut, the Organization operated as an independent religious society from 1994 until 2015. On December 31, 2015 the Organization contributed its assets to The Shoreline Soup Kitchens & Pantries, Inc., a Connecticut non-stock corporation exempt under 501(c)(3) of the Internal Revenue Code which was formed in 2013. The Organization continues the original mission of feeding the hungry in body and spirit.

The Organization distributed 1,095,158 meals to individuals and families during 2024. This included 1,076,796 meals from grocery distribution sites and 18,362 meals served at area soup kitchens.

The Shoreline Soup Kitchens & Pantries, Inc. offer food and fellowship to the residents of Chester, Clinton, Deep River, East Lyme, Essex, Killingworth, Lyme, Madison, Old Lyme, Old Saybrook and Westbrook.

The family-oriented meal sites serving hot, nutritious, and delicious food are located in Centerbrook, Chester, Clinton, Deep River, Essex, Old Saybrook, and Westbrook. The grocery distribution sites, where participants receive enough food for three meals for three days, are in Clinton, East Lyme, Old Lyme, Old Saybrook, and Westbrook.

The Organization accomplishes its goals with the help of over 700 volunteers, who provided over 37,000 volunteer hours in 2024. Those in need are provided with food and fellowship, responding to all with humanity and respect.

The Organization is supported primarily by the contribution of money, food and services from individuals and businesses located in New London, Middlesex and New Haven counties. The Organization also participates in a subsidized food purchase program.

The Internal Revenue Service has determined that The Shoreline Soup Kitchens & Pantries, Inc. is exempt from Federal Income tax on its exempt function income under Section 501 (c) (3) of the Internal Revenue Code and is a charitable organization that is not a private foundation as described in Section 509 (a) of the code.

Basis Of Accounting – The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The modified cash basis of accounting is a consistent alternative used by many organizations similar in size and scope to The Shoreline Soup Kitchens & Pantries, Inc. Under this basis, certain revenues and

1) Summary Of Significant Accounting Policies (Continued)

the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligations are incurred. Consequently, the Organization has not recognized income earned but not yet received, accounts payable to vendors, future commitments, and their related effects on the change in net assets in the accompanying financial statements. Modifications to the cash basis of accounting include recording donated food as income and depreciation as an expense.

Basis Of Presentation – The financial statements of The Shoreline Soup Kitchens & Pantries, Inc. have been prepared in accordance with U.S. generally accepted accounting principles, which require the organization to report information regarding its financial position and activities according to the following net asset classifications:

- ***Net Assets Without Donor Restrictions*** - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions.

- ***Net Assets With Donor Restrictions*** - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2024, there are $4,800 in Net Assets with Donor Restrictions.

Donor-imposed restrictions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the statements of support, revenue and expenses and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain expenses not identifiable with a particular functional area have been allocated based upon the estimated utilization of the particular cost center.

Contributions – Donated assets are recorded when they are used as an integral part of the Organization's operation, their value can be clearly measured on an objective basis, and the value is significant in amount. Donated assets consist primarily of food. The Organization uses the Connecticut Food Bank average per pound wholesale value to determine the value of donated food based on a study commissioned by Feeding America, a national food bank network. This value was $ 1.97 and $1.93 for 2024 and 2023, respectively.

1) Summary Of Significant Accounting Policies (Continued)

Donated Services – No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments. The Organization received approximately 37,002 volunteer hours in 2024 and 38,862 volunteer hours in 2023.

Investments – Investments are stated at cost on the statement of assets and net assets. For purposes of financial statement disclosure, the Organization measures its financial instruments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States. Fair value is defined as 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. GAAP provides a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant value drivers are observable.

Facilities – The Shoreline Soup Kitchens & Pantries, Inc. is allowed to use a number of different facilities for its meal sites and food pantries at no charge. The value of this use has not been determined.

Inventory – Inventory consists of food and is valued based an average per pound wholesale value determined by Feeding America, a national food bank network.

Equipment And Vehicles – Equipment and vehicles are stated at cost less accumulated depreciation. Major expenditures for equipment and vehicles and those which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. Assets retired, or otherwise disposed of and related amounts of accumulated depreciation are eliminated from the asset accounts. Any gains or losses from disposals are included in income.

1) Summary Of Significant Accounting Policies (Continued)

Depreciation – Depreciation is computed over the estimated useful lives of the respective assets, currently seven and five years, using the straight-line method.

Restricted And Unrestricted Support And Revenue – Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Use Of Estimates – The preparation of financial statements 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

2) Concentrations Of Credit Risk

Cash and equivalents include both cash on deposit with one financial institution and money funds held in a brokerage account which are considered securities and subject to investment risk. Financial instruments that potentially subject the Organization to credit risk include cash on deposit with one financial institution. At December 31, 2024 and 2023 the Organization's cash on deposit exceeded federally insured limits by a total of $214,000 and $186,000, respectively, between two banks.

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Notes To The Financial Statements

For The Years Ended December 31, 2024 And 2023

3) Investments

Investments consist of exchange traded funds and fixed income securities.

Their fair value and cost at December 31, 2024 and 2023 are as follows:

	December 31, 2024		
	Cost	Fair Value	Unrealized Gain (Loss)
Exchange Traded Securities	$ 937,183	$ 1,240,764	$ 303,581
Corporate Notes	86,625	82,212	(4,413)
U.S. Treasury Bills	1,321,076	1,323,005	1,929
U.S. Treasury I Bonds	30,000	34,608	4,608
Total	$ 2,374,884	$ 2,680,589	$ 305,705

	December 31, 2023		
	Cost	Fair Value	Unrealized Gain (Loss)
Exchange Traded Securities	$ 935,656	$ 1,063,823	$ 128,167
Corporate Notes	86,624	80,967	(5,657)
U.S. Treasury Bills	897,588	908,848	11,260
U.S. Treasury I Bonds	30,000	33,596	3,596
Total	$ 1,949,868	$ 2,087,234	$ 137,366

Unrealized gain or loss on investments at December 31, 2024 and 2023 are as follows:

	2024	2023
Cost	2,374,884	$ 1,949,868
Unrealized Gains	310,119	14,856
Unrealized Losses	(4,413)	122,510
Fair Value	$ 2,680,590	$ 2,087,234

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions. The fair value of the exchange traded funds at December 31, 2024 represents 46 percent of the fair value of the total portfolio. The portfolio also includes a United States Treasury Bill whose fair value is 49 percent of the total portfolio at December 31, 2024.

THE SHORELINE SOUP KITCHENS & PANTRIES, INC.

(A Nonprofit Organization)

Notes To The Financial Statements

For The Years Ended December 31, 2024 And 2023

3) Investments (Continued)

Investments at December 31, 2024 consist of the following in the fair value hierarchy:

	Total	Level 1	Level 2	Level 3
Uninvested Cash	$ 439,577	$ 439,577	$ -	$ -
Exchange Traded Funds	1,322,976	1,322,976	-	-
Fixed Income Securities	1,357,613	-	1,357,613	-
	$ 3,120,166	$ 1,762,553	$ 1,357,613	$ -

Investments at December 31, 2023 consist of the following in the fair value hierarchy:

	Total	Level 1	Level 2	Level 3
Uninvested Cash	$ 337,154	$ 337,154	$ -	$ -
Exchange Traded Funds	1,144,790	1,144,790	-	-
Fixed Income Securities	942,444	-	942,444	-
	$ 2,424,388	$ 1,481,944	$ 942,444	$ -

4) Equipment And Vehicles

Equipment and vehicles consist of the following at December 31, 2024 and 2023:

	2024	2023
Vehicles	$ 180,257	$ 180,257
Equipment	83,314	74,193
	$ 263,571	$ 254,450

Depreciation expenses for 2024 and 2023 were $35,584 and $24,023 respectively.

5) Liquidity And Availability

Financial assets available for general expenditure, that is, without restrictions limiting their use, within one year of the balance sheet date, comprise the following:

		2024
Cash & Cash Equivalents	$	877,202
Investments		2,680,589
	$	3,557,791

Operating expenses are anticipated to be met by receipt of cash and in-kind contributions, which is projected to be similar with the previous two years.

6) Net Assets With Donor Restrictions

The Organization has net assets with donor restrictions at December 31, 2024 of $4,800 restricted for the purpose of purchasing refrigerators and carts. There were no donor restricted net assets at December 31, 2023.

7) Risks and Uncertainties

Global unrest has impacted supply chains and consumer demand across a broad range of industries and countries have been severely impacted as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the events. Management is carefully monitoring these situations and evaluating its options during this time. No adjustments have been made to these financial statements as a result of these uncertainties.

8) Subsequent Events

Management has evaluated subsequent events through September 9, 2025, the date which the financial statements were available to be issued.