

FAMILY PROMISE OF MONMOUTH COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

FAMILY PROMISE OF MONMOUTH COUNTY, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Family Promise of Monmouth County, Inc.

We have audited the accompanying financial statements of Family Promise of Monmouth County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014 and the related statements of activities and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 on Family Promise of Monmouth County, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purposes of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Vision Financial Group CPAs LLP

Morganville, NJ
December 5, 2014

FAMILY PROMISE OF MONMOUTH COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2014

ASSETS

CURRENT ASSETS

Cash	\$	75,444
Pledges Receivable		950
TOTAL CURRENT ASSETS		76,394
Property and Equipment, net		14,912
Security Deposit		1,950
TOTAL ASSETS	\$	93,256

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued Expenses	\$	1,877
TOTAL LIABILITIES (ALL CURRENT)		1,877

NET ASSETS

Unrestricted		35,608
Temporarily Restricted		55,771
TOTAL NET ASSETS		91,379
TOTAL LIABILITIES AND NET ASSETS	\$	93,256

See Independent Auditors' Report and Notes to Financial Statements.

**FAMILY PROMISE OF MONMOUTH COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
SUPPORT AND REVENUE			
General contributions	\$ 181,236	\$ 194,105	\$ 375,341
Special event	41,327	-	41,327
Investment income	61	-	61
	<hr/>	<hr/>	<hr/>
TOTAL SUPPORT AND REVENUE	222,624	194,105	416,729
EXPENSES			
Management and general	42,857	-	42,857
Shelter program expenses	192,756	25,287	218,043
New Beginnings program expense	4,833	176,490	181,323
Rapid Rehousing Case Worker	610	1,730	2,340
After Care Case Worker	526	1,822	2,348
Fundraising expenses	5,273	-	5,273
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	246,855	205,329	452,184
CHANGES IN NET ASSETS	(24,231)	(11,224)	(35,455)
NET ASSETS AT BEGINNING OF YEAR	59,839	66,995	126,834
	<hr/>	<hr/>	<hr/>
NET ASSETS AT END OF YEAR	\$ 35,608	\$ 55,771	\$ 91,379
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See Independent Auditors' Report and Notes to Financial Statements.

FAMILY PROMISE OF MONMOUTH COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (35,455)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation expense	5,877
Increase in operating assets:	
Pledges Receivable	(950)
(Decrease) Increase in operating liabilities:	
Deferred Revenues	(28,600)
Accounts payable	<u>1,877</u>
Net cash used in operating activities	<u>(57,251)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Air Conditioner	<u>(158)</u>
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CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of bank loan	<u>(2,425)</u>
Net cash used in financing activities	<u>(2,425)</u>
Net decrease in cash	(59,834)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>135,278</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 75,444</u></u>
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FAMILY PROMISE OF MONMOUTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Family Promise of Monmouth County, Inc. (“the Organization”) is a not-for-profit corporation that unites the religious communities of Monmouth County, New Jersey in its efforts to provide shelter, meals, and assistance for homeless families. The Organization also provides help and counseling for each guest family through the services of a full-time social worker.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles accepted in the United States of American. Net assets, revenues, 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:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

For the year ended June 30, 2014, the Organization had unrestricted and temporarily restricted net assets.

Use of Estimates

The preparation of financial statements is in conformance with accounting principles generally accepted in the United States of America, which requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements in addition to reported revenue and expense amounts made during the reporting period. Actual results could differ from those estimates.

Restricted and Unrestricted Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the year in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets as net assets are released from restrictions.

FAMILY PROMISE OF MONMOUTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all cash and other highly liquid instruments with original maturities of three months or less to be cash equivalents.

Promises to give

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

Property and Equipment

Property and equipment are stated at cost. For financial reporting purposes depreciation is computed using straight-line methods over the estimated useful lives of the assets.

	<u>Years</u>
Automobile	5
Office Equipment	5
Appliances	5

Donated Services

The Organization receives a significant amount of donated services from unpaid volunteers, mainly board members. No amounts have been recognized in the statement of activities because the criteria for recognition under ASC 958 have not been satisfied.

Federal Income Taxes

The Internal Revenue Service has recognized the Organization as exempt from federal income taxes under provision of Section 501 (a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and not as a private foundation. The Organization is required to file a federal return of organizations exempt from income tax (Form 990) and the last three years returns are subject to examination by the Internal Revenue Service (IRS).

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2014 consisted of the following:

Van	\$ 29,306
Furniture and appliances	3,867
Office equipment	<u>13,910</u>
	47,083
Less: Accumulated depreciation	<u>(32,171)</u>
	<u>\$ 14,912</u>

FAMILY PROMISE OF MONMOUTH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE C - COMMITMENTS

The Organization entered into a one year lease agreement for their new office facilities, in November 2013. The future minimum rent for the year ending June 30, 2014 is \$5,200. Rent expense for the year ending June 30, 2014 was \$15,600. As part of the office lease agreement, the Organization is responsible for all utilities.

NOTE D – SUBSEQUENT EVENTS

Management has evaluated events occurring subsequent to June 30, 2014 through December 5, 2014, which is the date the financial statements were available to be issued and has recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at June 30, 2014, including estimates inherent in the processing of financial statements.

FAMILY PROMISE OF MONMOUTH COUNTY, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

	PROGRAM SERVICES				SUPPORTING SERVICES			Total
	New Beginnings	After Care Case Worker	Shelter	Rapid Rehousing Case Worker	Program Total	Management and General	Fundraising	
Salaries and wages	\$ 12,513	\$ 1,680	\$ 125,794	\$ 2,130	\$ 142,117	\$ 5,200	\$ 854	\$ 148,171
Employee benefits	-	-	17,091	-	17,091	48	-	17,139
Payroll taxes	1,234	166	12,421	210	14,031	514	85	14,630
PAYROLL AND RELATED EXPENSES	13,747	1,846	155,306	2,340	173,239	5,762	939	179,940
Bank and credit card fees	-	-	-	-	-	153	-	153
Bookkeeping	-	-	-	-	-	9,477	-	9,477
Client assistance-furniture	63,895	-	-	-	63,895	-	-	63,895
Client gift cards	1,655	-	-	-	1,655	-	-	1,655
Client job help	-	502	-	-	502	-	-	502
Client rent and security deposit	101,773	-	-	-	101,773	-	-	101,773
Client transportation	-	-	8,224	-	8,224	-	-	8,224
Computers	-	-	-	-	-	267	-	267
Depreciation	-	-	2,939	-	2,939	2,938	-	5,877
Enrichment	-	-	315	-	315	-	-	315
Insurance	-	-	8,742	-	8,742	-	-	8,742
Interest	-	-	-	-	-	27	-	27
Membership fees	-	-	-	-	-	5,979	-	5,979
Miscellaneous	-	-	1,200	-	1,200	35	485	1,720
Office	-	-	7,119	-	7,119	1,944	-	9,063
Payroll fees	-	-	-	-	-	1,806	-	1,806
Printing and postage	-	-	-	-	-	741	105	846
Professional fees	-	-	-	-	-	4,996	3,744	8,740
Rent	-	-	7,800	-	7,800	7,800	-	15,600
Rental & other client assistance	-	-	7,125	-	7,125	-	-	7,125
Repairs and maintenance	-	-	2,719	-	2,719	469	-	3,188
Telephone	253	-	4,292	-	4,545	349	-	4,894
Utilities	-	-	6,574	-	6,574	114	-	6,688
Workers compensation insurance	-	-	5,688	-	5,688	-	-	5,688
TOTAL EXPENSES	\$ 181,323	\$ 2,348	\$ 218,043	\$ 2,340	\$ 404,054	\$ 42,857	\$ 5,273	\$ 452,184