

**THE GOOD PEOPLE FUND, INC.  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
Years Ended June 30, 2016 and 2015**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The Good People Fund, Inc.

We have audited the accompanying financial statements of The Good People Fund, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities 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 The Good People Fund, Inc. as of June 30, 2016 and 2015, 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.

## **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Functional Expenses are presented for purposes of additional analysis and are not a required part of the 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.

*Levine, Jacobs & Company, L.L.C.*

October 29, 2016

THE GOOD PEOPLE FUND, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 June 30, 2016 and 2015

ASSETS

	2016	2015
Cash and Cash Equivalents	\$ 236,161	\$ 185,011
Prepaid Expenses and Other Assets	3,258	5,592
Total Current Assets	239,419	190,603
Property and Equipment - Net	16,102	6,255
Total	\$ 255,521	\$ 196,858

LIABILITIES AND NET ASSETS

Total Liabilities	\$ -	\$ -
Net Assets		
Unrestricted	163,831	127,477
Temporarily Restricted	91,690	69,381
Total Net Assets	255,521	196,858
Total	\$ 255,521	\$ 196,858

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

THE GOOD PEOPLE FUND, INC.  
 STATEMENTS OF ACTIVITIES  
 Year Ended June 30, 2016  
 (With Comparative Totals for 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
Revenues				
Contributions	\$ 375,931	\$ 1,334,345	\$ 1,710,276	\$ 1,838,200
Investment Income	284	-	284	524
Support and Revenue	<u>376,215</u>	<u>1,334,345</u>	<u>1,710,560</u>	<u>1,838,724</u>
Releases from Restrictions	<u>1,312,036</u>	<u>(1,312,036)</u>	-	-
Total Revenues	<u>1,688,251</u>	<u>22,309</u>	<u>1,710,560</u>	<u>1,838,724</u>
Expenses				
Program Services	1,561,234	-	1,561,234	1,809,735
Supporting Services				
General and Administrative	52,905	-	52,905	60,360
Fundraising	<u>37,758</u>	<u>-</u>	<u>37,758</u>	<u>61,570</u>
Total Expenses	<u>1,651,897</u>	<u>-</u>	<u>1,651,897</u>	<u>1,931,665</u>
Change in Net Assets	36,354	22,309	58,663	(92,941)
Net Assets at Beginning of Year	<u>127,477</u>	<u>69,381</u>	<u>196,858</u>	<u>289,799</u>
Net Assets at End of Year	<u>\$ 163,831</u>	<u>\$ 91,690</u>	<u>\$ 255,521</u>	<u>\$ 196,858</u>

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

THE GOOD PEOPLE FUND, INC.  
STATEMENTS OF ACTIVITIES  
Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	2015 Total
Revenues			
Contributions	\$ 597,195	\$ 1,241,005	\$ 1,838,200
Investment Income	524	-	524
Support and Revenue	597,719	1,241,005	1,838,724
Releases from Restrictions	1,259,659	(1,259,659)	-
Total Revenues	<u>1,857,378</u>	<u>(18,654)</u>	<u>1,838,724</u>
Expenses			
Program Services	1,809,735	-	1,809,735
Supporting Services			
General and Administrative	60,360	-	60,360
Fundraising	61,570	-	61,570
Total Expenses	<u>1,931,665</u>	<u>-</u>	<u>1,931,665</u>
Change in Net Assets	(74,287)	(18,654)	(92,941)
Net Assets at Beginning of Year	<u>201,764</u>	<u>88,035</u>	<u>289,799</u>
Net Assets at End of Year	<u>\$ 127,477</u>	<u>\$ 69,381</u>	<u>\$ 196,858</u>

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

THE GOOD PEOPLE FUND, INC.  
STATEMENTS OF CASH FLOWS  
Years Ended June 30,

	2016	2015
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 58,663	\$ (92,941)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	5,198	3,694
Changes in Assets and Liabilities		
Decrease in Prepaid Expenses and Other Assets	2,334	3,542
Net Cash Provided (Used) by Operating Activities	66,195	(85,705)
Cash Flows from Investing Activities:		
Purchase of Property and Equipment	(15,045)	-
Net Cash Used by Investing Activities	(15,045)	-
Net Increase (Decrease) in Cash	51,150	(85,705)
Cash and Cash Equivalents, Beginning of Year	185,011	270,716
Cash and Cash Equivalents, End of Year	\$ 236,161	\$ 185,011

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



THE GOOD PEOPLE FUND, INC.  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2016 and 2015

**NOTE 1 – NATURE OF ACTIVITIES**

The Good People Fund, Inc. (GPF) is a nonprofit corporation formed on January 30, 2008 in New Jersey.

GPF provides financial support, guidance and mentoring to charitable organizations and individuals that result in a better life for individuals. This support targets those that might otherwise find it difficult to respond to significant problems such as poverty, disability, trauma and social isolation. The beneficiaries of this support are located primarily throughout the United States and Israel.

Support for The Good People Fund, Inc. comes from individual donations and foundation contributions.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting. Contributions are recognized when pledged and expenses are recognized when incurred.

Financial Statement Presentation

External financial reporting by nonprofit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions. GPF has accounting transactions in two net asset categories as follows:

Unrestricted net assets – net assets that are not subject to donor-imposed restrictions

Temporarily restricted net assets – net assets that are subject to donor-imposed restrictions that neither expire by passage of time nor can be fulfilled by actions of the GPF.

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the Statements of Activities and Schedules of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

GPF considers all cash and money market funds on deposit with bank and all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

THE GOOD PEOPLE FUND, INC.  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2016 and 2015

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property and Equipment

GFP capitalizes equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of equipment are recorded as contributions at their estimated fair value on the date of the donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, GFP reports expirations of donor restrictions when the donated or acquired assets are placed in service. GFP reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives:

	<u>Estimated Useful Life</u> <u>(Years)</u>
Furniture and Equipment	5-10
Software	3-5

Depreciation and amortization expense for the years ended June 30, 2016 and 2015 was \$5,198 and \$3,694, respectively.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. 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 a restriction expires: when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

It is GPF's policy to immediately sell donated securities in order to convert the donation into cash. The value of the donated securities sold during the fiscal year ended 2016 and 2015 totaled \$29,641 and \$106,188 respectively. There were no securities held at June 30, 2016.

Restricted and Unrestricted Revenue

All donor-restricted contributions are reported as increases in temporarily restricted net assets.

THE GOOD PEOPLE FUND, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 Years Ended June 30, 2016 and 2015

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Income Taxes

GPF is exempt from federal income taxes under section 501(c) (3) of the United States Internal Revenue Code and from state and local taxes under comparable laws. However, any unrelated business income may be subject to taxation. Currently, GPF has no obligation for any unrelated business income tax. Accordingly, no provision for income taxes is included in the financial statements.

The GPF's Form 990 Return of Organization Exempt from Income Tax, for the years ending June 30, 2013, 2014 and 2015 are subject to examination by the IRS, generally for three years after they were filed.

In compliance with IRS regulations the Fund's board of directors reviews the federal exempt organization return form 990 before it is filed.

Compensated Absences

Compensated absences for sick pay and personal time have not been accrued since they cannot be reasonably estimated. The Organization's policy is to recognize these costs when actually paid.

Estimates

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

**NOTE 3 – CONCENTRATIONS**

In the current year, a significant amount of contributions were provided by a small number of contributors. It is always considered reasonably possible that benefactors, grantors or contributors might be lost in the near term.

GPF maintains accounts at a financial institution located in northern New Jersey. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. GPF cash balance did not exceed the FDIC limit as of June 30, 2016 and 2015.

**NOTE 4 – PROPERTY AND EQUIPMENT**

Equipment consists of the following at:

	June 30, 2016	June 30, 2015
Database Software	\$ 31,195	\$ 16,150
Computers	2,321	2,321
	33,516	18,471
Less Accumulated Depreciation	(17,414)	(12,216)
Equipment, Net	\$ 16,102	\$ 6,255

THE GOOD PEOPLE FUND, INC.  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2016 and 2015

**NOTE 4 – PROPERTY AND EQUIPMENT (Continued)**

Database Software amortization expense was \$4,733 and \$3,230 for the years ended June 30, 2016 and 2015. Estimated future amortization expense for database software assets is as follows:

<u>June 30,</u>	<u>Amount</u>
2017	\$ 4,894
2018	3,009
2019	3,009
2020	3,009
2021	1,505
Thereafter	<u>0</u>
	<u>\$15,426</u>

**NOTE 5 – RELATED PARTY TRANSACTION**

During the fiscal year ended June 30, 2016, GPF paid \$9,956 to a company to improve their website. A principal of the company is a member of the Board of Trustees. There were no related party transactions for the fiscal year ended June 30, 2015.

**NOTE 6 – RECLASSIFICATIONS**

Certain reclassifications have been made to the June 30, 2015 financial statement presentation to correspond to the current year's format. Net assets and change in net assets are unchanged due to these reclassifications.

**NOTE 7 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 29, 2016, the date on which the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

THE GOOD PEOPLE FUND, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2016

	Program Services	General and Administrative	Fundraising	Total
Grants	\$ 1,448,991	\$ -	\$ -	\$ 1,448,991
Salaries	51,912	15,721	15,721	83,354
Payroll Taxes	4,300	1,394	1,352	7,046
Administrative Support	10,634	3,038	1,519	15,191
Bank and Credit Card Fees	3,771	1,077	539	5,387
Consulting	-	14,335	-	14,335
Depreciation and Amortization	3,314	1,411	473	5,198
Insurance	1,316	376	188	1,880
Marketing	24,211	-	16,141	40,352
Office	-	1,425	-	1,425
Payroll Service	603	172	86	861
Postage and Shipping	791	226	113	1,130
Professional Fees	-	10,475	-	10,475
Telephone and Internet	447	128	63	638
Travel and Entertainment	5,957	1,702	851	8,510
Web-related Expenses	4,987	1,425	712	7,124
<b>Total</b>	<b>\$ 1,561,234</b>	<b>\$ 52,905</b>	<b>\$ 37,758</b>	<b>\$ 1,651,897</b>

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

THE GOOD PEOPLE FUND, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2015

	Program Services	General and Administrative	Fundraising	Total
Grants	\$ 1,706,239	\$ -	\$ -	\$ 1,706,239
Salaries	50,400	37,125	37,125	124,650
Payroll Taxes	3,928	3,185	3,257	10,370
Administrative Support	175	50	25	250
Bank and Credit Card Fees	4,503	1,287	643	6,433
Depreciation and Amortization	2,261	1,110	323	3,694
Insurance	1,604	458	229	2,291
Marketing	27,044	-	18,029	45,073
Office	-	2,842	-	2,842
Payroll Service	591	169	84	844
Postage and Shipping	1,193	341	170	1,704
Professional Fees	-	10,887	-	10,887
Telephone and Internet	546	156	78	780
Travel and Entertainment	5,586	1,596	798	7,980
Web-related Expenses	5,665	1,154	809	7,628
Total	<u>\$ 1,809,735</u>	<u>\$ 60,360</u>	<u>\$ 61,570</u>	<u>\$ 1,931,665</u>

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