

**THE GOOD PEOPLE FUND, INC.
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
Years Ended June 30, 2019 and 2018**

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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, 2019 and 2018, and the related statements of activities, functional expenses 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.

Auditors' 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, 2019 and 2018, 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.

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

November 26, 2019

THE GOOD PEOPLE FUND, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2019 and 2018

ASSETS

	2019	2018
Current Assets		
Cash and Cash Equivalents	\$ 189,299	\$ 150,851
Restricted Cash	64,559	90,868
Prepaid Expenses and Other Assets	2,766	1,520
Total Current Assets	256,624	243,239
Property and Equipment - Net	5,176	8,450
Total Assets	\$ 261,800	\$ 251,689

LIABILITIES AND NET ASSETS

Total Liabilities	\$ -	\$ -
Net Assets		
Without Donor Restrictions	197,241	160,821
With Donor Restrictions	64,559	90,868
Total Net Assets	261,800	251,689
Total Liabilities and Net Assets	\$ 261,800	\$ 251,689

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

THE GOOD PEOPLE FUND
STATEMENTS OF ACTIVITIES
Year Ended June 30, 2019
(With Comparative Totals for 2018)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
Revenues				
Contributions	\$ 640,696	\$ 1,459,589	\$ 2,100,285	\$ 2,029,833
Investment Income	673	-	673	766
Released from Restrictions	1,485,898	(1,485,898)	-	-
Total Revenues	<u>2,127,267</u>	<u>(26,309)</u>	<u>2,100,958</u>	<u>2,030,599</u>
Expenses				
Program Services	2,002,513	-	2,002,513	1,927,551
Supporting Services				
General and Administrative	44,537	-	44,537	37,280
Fundraising	43,797	-	43,797	60,478
Total Expenses	<u>2,090,847</u>	<u>-</u>	<u>2,090,847</u>	<u>2,025,309</u>
Change in Net Assets	36,420	(26,309)	10,111	5,290
Net Assets at Beginning of Year	<u>160,821</u>	<u>90,868</u>	<u>251,689</u>	<u>246,399</u>
Net Assets at End of Year	<u>\$ 197,241</u>	<u>\$ 64,559</u>	<u>\$ 261,800</u>	<u>\$ 251,689</u>

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

THE GOOD PEOPLE FUND
STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2018 Total</u>
Revenues			
Contributions	\$ 391,723	\$ 1,638,110	\$ 2,029,833
Investment Income	766	-	766
Released from Restrictions	<u>1,620,675</u>	<u>(1,620,675)</u>	<u>-</u>
Total Revenues	<u>2,013,164</u>	<u>17,435</u>	<u>2,030,599</u>
Expenses			
Program Services	1,927,551	-	1,927,551
Supporting Services			
General and Administrative	37,280	-	37,280
Fundraising	<u>60,478</u>	<u>-</u>	<u>60,478</u>
Total Expenses	<u>2,025,309</u>	<u>-</u>	<u>2,025,309</u>
Change in Net Assets	(12,145)	17,435	5,290
Net Assets at Beginning of Year	<u>172,966</u>	<u>73,433</u>	<u>246,399</u>
Net Assets at End of Year	<u>\$ 160,821</u>	<u>\$ 90,868</u>	<u>\$ 251,689</u>

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

THE GOOD PEOPLE FUND
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2019

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Grants	\$ 1,866,488	\$ -	\$ -	\$ 1,866,488
Salaries	60,849	16,313	20,479	97,641
Payroll Taxes	4,909	1,344	1,688	7,941
Administrative Support	16,822	4,806	2,403	24,031
Bank and Credit Card Fees	3,545	1,013	506	5,064
Consulting	20,070	-	6,690	26,760
Depreciation and Amortization	2,106	867	301	3,274
Insurance	1,592	455	228	2,275
Marketing	14,832	-	9,888	24,720
Office	-	4,160	-	4,160
Payroll Service	671	191	96	958
Postage and Shipping	858	245	122	1,225
Professional Fees	-	12,352	-	12,352
Travel and Lodging	6,791	1,940	970	9,701
Technology Expense	2,980	851	426	4,257
Total	\$ 2,002,513	\$ 44,537	\$ 43,797	\$ 2,090,847

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

THE GOOD PEOPLE FUND
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2018

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Grants	\$ 1,798,302	\$ -	\$ -	\$ 1,798,302
Salaries	55,412	11,874	37,638	104,924
Payroll Taxes	4,440	985	3,163	8,588
Administrative Support	16,179	4,622	2,311	23,112
Bank and Credit Card Fees	5,497	1,571	785	7,853
Consulting	18,675	340	6,225	25,240
Depreciation and Amortization	2,106	1,079	301	3,486
Insurance	1,308	374	187	1,869
Marketing	11,844	-	7,896	19,740
Office	-	1,759	-	1,759
Payroll Service	648	185	93	926
Postage and Shipping	1,090	311	156	1,557
Professional Fees	-	10,737	-	10,737
Telephone and Internet	417	119	60	596
Travel and Lodging	8,445	2,413	1,207	12,065
Technology Expenses	3,188	911	456	4,555
Total	\$ 1,927,551	\$ 37,280	\$ 60,478	\$ 2,025,309

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

THE GOOD PEOPLE FUND
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 10,111	\$ 5,290
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	3,274	3,486
Changes in Assets and Liabilities		
Decrease (Increase) in:		
Prepaid Expenses and Other Assets	(1,246)	(11)
Net Cash Provided by Operating Activities	12,139	8,765
Net Increase in Cash	12,139	8,765
Cash and Cash Equivalents, Beginning of Year	241,719	232,954
Cash and Cash Equivalents, End of Year	\$ 253,858	\$ 241,719

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

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2019 and 2018

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 who 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

In August 2016, the Financial Accounting Standards Board (“FASB”) issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, which the Organization has adopted for the years ended June 30, 2019 and 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of GPF and changes therein are classified 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 GPF. GPF’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 GPF 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.

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 Statements of Functional Expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited. Costs have been allocated based on the estimated amount of time employees spend between program and support activities. GPF’s program assists organizations to become sustainable and independent, and to advise individuals, students, teachers and donees ways to improve and maximize the use of financial and other resources and how to utilize other people’s talents on behalf of repairing the world. This is accomplished through monetary support as well as guidance and mentoring to these other organizations.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2019 and 2018

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

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

Property and Equipment

GFP capitalizes equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are 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:

	Estimated Useful Life (Years)
Furniture and Equipment	5-10
Software	3-5

Depreciation and amortization expense for the years ended June 30, 2019 and 2018, was \$3,274 and \$3,486, respectively.

Contributions

Unconditional contributions are recognized when received and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net 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.

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 2019 and 2018, totaled \$41,217 and \$31,964 respectively. There were no securities held at June 30, 2019.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2019 and 2018

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, 2019, 2018 and 2017 is subject to examination by the IRS, generally for three years after it has been filed.

In compliance with IRS regulations, GPF'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.

Recent Accounting Pronouncements

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. Non-Profit Organization, Inc. has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE 3 – CONCENTRATIONS

In the current year, a significant amount of contributions was 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 had uninsured cash balance of \$117,967 and \$42,858 as of June 30, 2019 and 2018, respectively.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2019 and 2018

NOTE 4 – PROPERTY AND EQUIPMENT

Equipment consists of the following at:

	June 30, 2019	June 30, 2018
Database Software	\$ 31,195	\$ 31,195
Computers	3,646	3,646
	34,841	34,841
Less Accumulated Depreciation	(29,665)	(26,391)
 Equipment, Net	\$ 5,176	\$ 8,450

Database Software amortization expense was \$3,009 for the years ended June 30, 2019 and 2018. Estimated future amortization expense for database software assets is as follows:

<u>June 30,</u>	<u>Amount</u>
2020	\$ 3,009
2021	1,505
Thereafter	0
	\$ 4,514

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets consist for the following purpose as of June 30, 2019 and 2018, are as follows:

	June 30, 2019	June 30, 2018
Subject to expenditure for specified purpose	\$ 64,559	\$ 90,868

NOTE 6 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure that is, without donor or other restrictions limiting their uses, within one year of the statement of financial position date, comprise the following:

	June 30, 2019	June 30, 2018
Cash and Cash Equivalents	\$ 253,858	\$ 241,719
Prepaid Expenses and Other Assets	2,766	1,520
	256,624	243,239
Less: Donor restricted for purpose	(64,559)	(90,868)
Financial assets available for general expenditures	\$ 192,065	\$ 152,371

In addition to these available financial assets, a significant portion of GPF's annual expenditures will be funded by current year operating contributions.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2019 and 2018

NOTE 6 – LIQUIDITY AND AVAILABILITY (Continue)

As part of GPF'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. As part of GPF's liquidity management plan, cash in excess of daily requirements for general expenditures is invested in short-term investments. GPF's short-term investments consist of money market funds that can be drawn upon, if necessary, to meet the liquidity needs of GPF.

NOTE 7 – RELATED PARTY TRANSACTION

There were no related party transactions for the fiscal years ended June 30, 2019 and 2018.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 26, 2019, the date on which the financial statements were available to be issued.