

THE GOOD PEOPLE FUND, INC.
FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

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INDEPENDENT AUDITORS' REPORT

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

Opinion

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

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 Good People Fund, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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.

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 Good People Fund, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Good People Fund Inc.' 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.

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

November 30, 2021

THE GOOD PEOPLE FUND, INC.
 STATEMENTS OF FINANCIAL POSITION
 June 30, 2021 and 2020

ASSETS

	2021	2020
Current Assets		
Cash and Cash Equivalents	\$ 418,079	\$ 491,694
Restricted Cash	-	66,340
Prepaid Expenses and Other Assets	2,537	2,095
Total Current Assets	420,616	560,129
Property and Equipment - Net	133	1,902
Total Assets	\$ 420,749	\$ 562,031

LIABILITIES AND NET ASSETS

Total Liabilities	\$ -	\$ -
Net Assets		
Without Donor Restrictions	420,749	495,691
With Donor Restrictions	-	66,340
Total Net Assets	420,749	562,031
Total Liabilities and Net Assets	\$ 420,749	\$ 562,031

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

THE GOOD PEOPLE FUND, INC.
STATEMENTS OF ACTIVITIES
Year Ended June 30, 2021
With Comparative Totals for the Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2021 Total</u>	<u>2020 Total</u>
Revenues				
Contributions	\$ 787,186	\$ 1,867,313	\$ 2,654,499	\$ 2,686,066
Investment Income	217	-	217	558
Released from Restrictions	1,933,653	(1,933,653)	-	-
Total Revenues	<u>2,721,056</u>	<u>(66,340)</u>	<u>2,654,716</u>	<u>2,686,624</u>
Expenses				
Program Services	2,661,599	-	2,661,599	2,244,454
Supporting Services				
General and Administrative	105,576	-	105,576	111,138
Fundraising	28,823	-	28,823	30,801
Total Expenses	<u>2,795,998</u>	<u>-</u>	<u>2,795,998</u>	<u>2,386,393</u>
Change in Net Assets	(74,942)	(66,340)	(141,282)	300,231
Net Assets at Beginning of Year	<u>495,691</u>	<u>66,340</u>	<u>562,031</u>	<u>261,800</u>
Net Assets at End of Year	<u>\$ 420,749</u>	<u>\$ -</u>	<u>\$ 420,749</u>	<u>\$ 562,031</u>

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

THE GOOD PEOPLE FUND, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020 Total</u>
Revenues			
Contributions	\$ 631,476	\$ 2,054,590	\$ 2,686,066
Investment Income	558	-	558
Released from Restrictions	<u>2,052,809</u>	<u>(2,052,809)</u>	<u>-</u>
Total Revenues	<u>2,684,843</u>	<u>1,781</u>	<u>2,686,624</u>
Expenses			
Program Services	2,244,454	-	2,244,454
Supporting Services			
General and Administrative	111,138	-	111,138
Fundraising	<u>30,801</u>	<u>-</u>	<u>30,801</u>
Total Expenses	<u>2,386,393</u>	<u>-</u>	<u>2,386,393</u>
Change in Net Assets	298,450	1,781	300,231
Net Assets at Beginning of Year	<u>197,241</u>	<u>64,559</u>	<u>261,800</u>
Net Assets at End of Year	<u>\$ 495,691</u>	<u>\$ 66,340</u>	<u>\$ 562,031</u>

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

THE GOOD PEOPLE FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Grants	\$ 2,567,991	\$ -	\$ -	\$ 2,567,991
Salaries	63,000	13,500	13,500	90,000
Payroll Taxes	5,226	1,120	1,120	7,466
Administrative Support	-	35,921	-	35,921
Bank and Credit Card Fees	-	7,185	-	7,185
Consulting	-	28,800	-	28,800
Depreciation and Amortization	1,238	266	266	1,770
Insurance	-	2,529	-	2,529
Marketing	19,372	-	12,914	32,286
Office	-	1,972	-	1,972
Payroll Service	234	50	50	334
Postage and Shipping	920	197	197	1,314
Professional Fees	-	13,260	-	13,260
Telephone and Internet	420	90	90	600
Travel and Lodging	64	14	14	92
Technology Expense	3,134	672	672	4,478
Total	\$ 2,661,599	\$ 105,576	\$ 28,823	\$ 2,795,998

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

THE GOOD PEOPLE FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Grants	\$ 2,136,767	\$ -	\$ -	\$ 2,136,767
Salaries	71,608	15,344	15,344	102,296
Payroll Taxes	5,743	1,231	1,231	8,205
Administrative Support	-	27,524	-	27,524
Bank and Credit Card Fees	-	8,197	-	8,197
Consulting	-	33,299	-	33,299
Depreciation and Amortization	2,292	491	491	3,274
Insurance	-	3,318	-	3,318
Marketing	17,078	-	11,385	28,463
Office	-	1,882	-	1,882
Payroll Service	754	161	161	1,076
Postage and Shipping	644	138	138	920
Professional Fees	-	17,502	-	17,502
Telephone and Internet	229	49	49	327
Travel and Lodging	5,321	1,141	1,141	7,603
Technology Expenses	4,018	861	861	5,740
Total	\$ 2,244,454	\$ 111,138	\$ 30,801	\$ 2,386,393

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

THE GOOD PEOPLE FUND, INC.
 STATEMENTS OF CASH FLOWS
 Years Ended June 30, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (141,282)	\$ 300,231
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,770	3,274
Changes in Assets and Liabilities		
Decrease (Increase) in:		
Prepaid Expenses and Other Assets	(443)	671
Net Cash Provided by Operating Activities	(139,955)	304,176
Net Increase in Cash	(139,955)	304,176
Cash and Cash Equivalents, Beginning of Year	558,034	253,858
Cash and Cash Equivalents, End of Year	\$ 418,079	\$ 558,034

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

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

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.

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.

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. The pronouncement 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. The Organization has adopted standard for the years ended June 30, 2021, and 2020.

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, whereby the donor has stipulated the funds be maintained in perpetuity.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (continued)

In May 2014, the Financial Accounting Standards Board (“FASB”) issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This ASU, which is a comprehensive new revenue recognition model that requires an organization to recognize revenue that is pledged to the organization that reflects contributions an organization expects to receive in the near future, in exchange for the pledge. It also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from pledges from donors. Organizations that transition to this new standard may either retrospectively restate each prior reporting period or follow the modified retrospective method, which reflects the cumulative effect of initially applying the updates with an adjustment to net assets at the date of adoption.

The Organization adopted this standard effective July 1, 2020, using the modified retrospective approach. The cumulative effect of applying the new standard was deemed immaterial by management. Therefore, no adjustments were made to the Organization’s financial condition, results of operations, or cash flows as a result of the adoption of ASU 2014-09.

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.

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.

Restricted Cash

Restricted Cash represents the amount of the Net Assets with Donor Restrictions at the end of the fiscal year.

Property and Equipment

GPF 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

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (continued)

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, GPF reports expirations of donor restrictions when the donated or acquired assets are placed in service. GPF 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>
Equipment	5-10
Software	3-5

Depreciation and amortization expense for the years ended 2021 and 2020, was \$1,770 and \$3,274, respectively.

Revenue Recognition

Contributions or pledges from donors that are unconditional, are recognized by the Organization as net assets without donor restrictions in the period received. Contributions or pledges from donors with donor-imposed conditions are reported as net assets with donor restrictions in the period received.

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 revenues 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 2021 and 2020, totaled \$58,255 and \$102,417 respectively. There were no securities held at June 30, 2021, and 2020.

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, 2021, 2020 and 2019 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.

THE GOOD PEOPLE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 \$85,046 and \$67,293 as of June 30, 2021 and 2020, respectively.

NOTE 4 – PROPERTY AND EQUIPMENT

Equipment consists of the following at:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Database Software	\$ 31,195	\$ 31,195
Computers	3,646	3,646
	<u>34,841</u>	<u>34,841</u>
Less Accumulated Depreciation	<u>(34,708)</u>	<u>(32,939)</u>
Equipment, Net	<u>\$ 133</u>	<u>\$ 1,902</u>

Database Software amortization expense was \$1,505 and \$3,009 for the years ended June 30, 2021 and 2020.

THE GOOD PEOPLE FUND, INC.
 NOTES TO FINANCIAL STATEMENTS
 Years Ended June 30, 2021 and 2020

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets consist for the following purpose as of June 30, 2021 and 2020, are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Subject to expenditure for specified purpose	<u>\$ 0</u>	<u>\$ 66,340</u>

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:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Cash and Cash Equivalents	\$ 418,079	\$ 558,034
Prepaid Expenses and Other Assets	<u>2,537</u>	<u>2,095</u>
	420,616	560,129
Less: Donor restricted for purpose	<u>0</u>	<u>(66,340)</u>
Financial assets available for general expenditures	<u>\$ 420,616</u>	<u>\$ 493,789</u>

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

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, 2021 and 2020.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 30, 2021, the date on which the financial statements were available to be issued.