JERSEY CARES, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDING

JUNE 30, 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Jersey Cares, Inc.
290 W. Mt. Pleasant Ave. Suite 1320
Livingston, NJ 07039

We have audited the accompanying financial statements of Jersey Cares, Inc. (a New Jersey non-profit corporation) which comprise the statement of financial position as of June 30, 2019, and related statement of activities and cash flow for the year then ended, and the related notes to the financial statements.

Managements 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 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 a material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jersey Cares, Inc. as of June 30, 2019, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Stetz Belgiovine Manwarren & Wallis, P.C.

July 29, 2020

JERSEY CARES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

ASSETS

Cash and cash equivalents	$207,663
Grant Receivable	259,597
Property and equipment , net	22,466
Security deposits	20,671
TOTAL ASSETS	$510,397

LIABILITIES AND NET ASSETS

LIABILITIES	
Accounts payable	$90,189
TOTAL LIABILITIES	90,189
NET ASSETS	
Without donor restrictions	420,208
TOTAL NET ASSETS	420,208
TOTAL LIABILITIES AND NET ASSETS	$510,397

JERSEY CARES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

REVENUE AND SUPPORT	
Direct public support - Without donor restrictions	$2,408,910
TOTAL REVENUES AND SUPPORT	2,408,910
EXPENSES	
Direct program expenses - Without donor restrictions	1,790,371
Administration - Without donor restrictions	191,170
Fund-raising expenses - Without donor restrictions	224,444
TOTAL EXPENSES	2,205,985
CHANGE IN NET ASSETS	202,925
NET ASSETS AT BEGINNING OF YEAR	217,283
NET ASSETS AT END OF YEAR	$420,208

JERSEY CARES, INC.
STATEMENT OF CASH FLOW
YEAR ENDED JUNE 30, 2019

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:	
Change in net assets	$202,925
Adjustments to Reconcile Change in Net Assets	
to Net Cash Provided (Used For) Operating Activities:	
Depreciation and amortization	4,744
Change in Operating Assets and Liabilities:	
Grant Receivable	(146,966)
Accounts Payable	(21,993)
NET CASH PROVIDED BY OPERATING ACTIVITIES	38,710
CASH FLOWS FROM INVESTING ACTIVITIES	
Equipment Purchase	(23,721)
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	(23,721)
CASH FLOWS FROM FINANCING ACTIVITIES	
Loan Proceeds/(Payments)	-
NET CASH PROVIDED/(USED) FROM FINANCING ACTIVITIES	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,989
BEGINNING CASH AND CASH EQUIVALENTS	192,674
ENDING CASH AND CASH EQUIVALENTS	$207,663

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities:

Jersey Cares, Inc., (the Corporation) is a not-for-profit corporation organized under the laws of the State of New Jersey. The "Organization", organizes motivated individuals for team-oriented service projects that effectively address the diverse needs of the community. Founded in October of 1993, the Organization is based on a model of service that is effective to more than 80 other locations throughout the world. The goal is to promote the ethic of community service among concerned citizens and to channel the efforts of volunteers into activities, which produce a positive change in the lives of people who need their help.

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Promises to Give:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted are reported as increases in net assets with donor restrictions.

Estimates:

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

Contributions:

The Organization receives contributions from corporations and individuals. Contributions received are recorded with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restriction.

Donated Materials and Contributed Services:

Donated materials are recognized as revenue at their estimated fair value when they are contributed to the Organization. The amount was in-material for the year ended June 30, 2019 and no such amount was recorded.

Contributed services are recorded at their fair market value in the period received when they create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ended June 30, 2019, there were no amounts that met the criteria for recognition as described above. In addition, a substantial number of volunteers have donated significant time to the Organization. No amounts have been recognized in the accompanying financial statements for these services because the criteria for recognition of such volunteer efforts have not been satisfied.

Credit Risk:

The Organization's credit risk primarily relate to cash and cash equivalents and investments. The Organization maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to an aggregate of $ 250,000. The Organization did exceed those insured limits during the year ended June 30,2019. The Organization has not experienced any such losses and management believes the Organization is not exposed to significant credit risk pertaining to cash.

Cash and Cash Equivalents:

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents.

Property and Equipment:

Purchased property and equipment are stated at cost, if purchased, or fair market value at the date of donation. Depreciation is provided on a straight-line basis over the estimated useful life of the asset. Depreciation ranges from three to seven years. Expenditures for normal maintenance and repairs are charged to expense. Expenditures for major renewals and betterments that materially extend the life of the asset in excess of $ 500 are capitalized.

Net Assets:

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor 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 with the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. There were no donor-imposed restrictions of a perpetual nature as of June 30, 2019. Donor – imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, 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.

Functional Allocation of Expenses:

The costs of program and supporting services have been summarized on a functional basis in the statement of activities. Expenses that are identified with a specific program or support service are charged directly to the appropriate function. Other shared costs have been allocated among the programs and supporting services benefited based on management's estimate of the relative effort expended for the related functions.

Advertising Costs:

Advertising costs are expensed as incurred. During the year ended June 30, 2019 there were no such costs.

Income Taxes:

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the financial statements.

Recent Accounting Pronouncements:

In February 2016, the Financial Accounting and Standards Board (FASB) amended the Leases topic of the Accounting Standards Codification to revise certain aspects of recognition, measurement, presentation, and disclosure of leasing transactions. The amendments will be effective for fiscal years beginning on or after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Organization is currently evaluating the effect that the implementation of the new standard will have on its financial position, results of operations, and cash flows.

On June 21, 2018, the FASB issued ASU 2018-8, *clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made,* which applies to all entities that receive or make contributions. The criteria for evaluating whether contributions are unconditional (and thus recognized immediately in income) or conditional (for which income recognition is deferred) have been clarified. The focus is whether a gift or grant agreement both (1) specifies a "barrier or hurdle" that the recipient must overcome to be entitled to the resources, and (2) release the donor from its obligation to transfer resources (or if assets are advanced, a right to demand their return) if the barrier or hurdle is not achieved. An agreement that contains both is a conditional contribution. An agreement that omits one or both is unconditional. No new disclosures are required. For grants/contributions made, donors will use the same criteria as recipients (i.e., a barrier or hurdle coupled with a right of return/release) to determine whether gifts or grants are conditional or unconditional.

For federal and other government grants, the ASU clarifies the definition of an exchange transaction. As a result, not-for-profit entities will account for most federal grants as donor-restricted conditional contributions, rather than as exchange transactions (the prevalent practice today). An accommodation ("simultaneous release" option) is provided which, if elected, would allow grants received and used within the same period to be reported in net assets without donor restrictions, consistent with where the grant revenue is reported today.

For transactions in which a non-public entity serves as a resource recipient, the entity should apply the amendments in this ASU on contributions received to annual periods beginning after December 15, 2018. For transactions in which a non-public entity serves as a resource provider, the entity should apply the amendments in this ASU on contributions made to annual periods beginning after December 15, 2019. Early adoption of the amendments is permitted. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations and cash flows.

Date of Management Review:

The Organization evaluated its June 30, 2019 financial statements for subsequent events through July 29, 2020, the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

NOTE 2: FURNITURE AND EQUIPMENT

The following is a summary of furniture and equipment as of June 30, 2019:

Equipment	$ 74,742
Furniture	4,673
	79,415
Less accumulated depreciation	(56,949)
Total	$ 22,466

Depreciation expense for the year ended June 30, 2019 was $ 4,744.

NOTE 3: GRANTS RECEIVABLE

Grants receivable are written off when they are deemed uncollectible. This method is not in accordance with generally accepted accounting principles, however, the Organization's experience with collections indicates that the direct write off method approximates the allowance method. No write offs have been provided for since the amounts have all been collected in current or subsequent periods.

NOTE 4: COMMITMENTS AND OBLIGATIONS

Future minimum lease payments under the Company's operating leases for office space and office equipment as of June 30, 2019 is as follows:

12 Month Period Ending June 30:	Amount
2020	$ 86,188
2021	87,883
2022	14,694
Total	$ 188,766