

Report of Audit

on the

Financial Statements

of the

*New Jersey Foundation
for Aging, Inc.*

for the

Years Ended
December 31, 2017 and 2016

NEW JERSEY FOUNDATION FOR AGING, INC.

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SUPLEE, CLOONEY & COMPANY

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
New Jersey Foundation for Aging, Inc.
145 West Hanover Street
Trenton, New Jersey 08618

Report on the Financial Statements

We have audited the accompanying financial statements of the New Jersey Foundation for Aging, Inc., which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

New Jersey Foundation for Aging, Inc.'s 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 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.

SUPLEE, CLOONEY & COMPANY

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 New Jersey Foundation for Aging, Inc. as of December 31, 2017 and 2016, 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.

August 10, 2018

A handwritten signature in black ink that reads "Suplee, Clooney & Company". The signature is written in a cursive, flowing style.

NEW JERSEY FOUNDATION FOR AGING, INC.STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 211,882	\$ 175,261
Security Deposit	<u>1,202</u>	<u>1,202</u>
<u>TOTAL ASSETS</u>	<u>\$ 213,084</u>	<u>\$ 176,463</u>
<u>LIABILITIES AND NET ASSETS</u>		
Net Assets:		
Unrestricted	<u>\$ 213,084</u>	<u>\$ 176,463</u>
<u>TOTAL NET ASSETS</u>	<u>213,084</u>	<u>176,463</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 213,084</u>	<u>\$ 176,463</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NEW JERSEY FOUNDATION FOR AGING, INC.
STATEMENTS OF ACTIVITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017			2016		
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
Support and Revenue:						
Contributions	\$ 92,568		\$ 92,568	\$ 117,355		\$ 117,355
Conference and Events	43,676		43,676	37,025		37,025
Awards and Grants	130,000		130,000	111,600		111,600
Renaissance Ads and Sponsorships	4,900		4,900	15,400		15,400
Fundraising	24,380		24,380	21,345		21,345
Other	275		275			
Net Assets Released From Restrictions						
Total Support and Revenue	<u>295,799</u>	<u>-</u>	<u>295,799</u>	<u>302,725</u>	<u>-</u>	<u>302,725</u>
Program Service Expenses:						
Salary and Wages	152,811		152,811	148,038		148,038
Payroll Taxes and Fringe Benefits	28,479		28,479	38,005		38,005
Professional Services	23,641		23,641	28,204		28,204
Office Expenses	8,370		8,370	8,804		8,804
Occupancy	13,225		13,225	15,629		15,629
Travel	1,468		1,468	1,739		1,739
Conference and Events	18,196		18,196	12,953		12,953
Insurance	3,088		3,088	5,084		5,084
Postage and Delivery	1,564		1,564	1,346		1,346
Printing and Reproduction	242		242	1,270		1,270
Fund Development	1,710		1,710	445		445
Fundraising	5,739		5,739	6,772		6,772
Other	645		645	775		775
Total Expenses	<u>259,178</u>		<u>259,178</u>	<u>269,064</u>		<u>269,064</u>
Net Increase (Decrease) in Net Assets	36,621		36,621	33,661		33,661
Net Assets, Beginning of Year	176,463	\$ - 0 -	176,463	142,802		142,802
Net Assets, End of Year	<u>\$ 213,084</u>	<u>\$ - 0 -</u>	<u>\$ 213,084</u>	<u>\$ 176,463</u>	<u>\$ - 0 -</u>	<u>\$ 176,463</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NEW JERSEY FOUNDATION FOR AGING, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>Operating Activities</u>		
Change in Net Assets	\$ 36,621	\$ 33,661
Add (Deduct) Changes in Non-Cash Working Capital:	<u> </u>	<u> </u>
Net Cash Provided by Operating Activities	<u>36,621</u>	<u>33,661</u>
Net Increase in Cash and Cash Equivalents	36,621	33,661
Cash and Cash Equivalents, Beginning of Year	<u>175,261</u>	<u>141,600</u>
Cash and Cash Equivalents, End of Year	<u>\$ 211,882</u>	<u>\$ 175,261</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NEW JERSEY FOUNDATION FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NATURE OF ACTIVITIES

The New Jersey Foundation for Aging, Inc. (the "Foundation") was incorporated as a non-profit organization in the State of New Jersey in 1998 to serve the needs of older adults in New Jersey; to serve as the statewide voice for social policy to enhance services; to encourage and maintain high standards of service in the field of aging; to access and analyze information concerning the needs of and programs for older adults; to disseminate and educate the general public and professionals across the state on issues related to older adults.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis.

Financial Statement Presentation

The Foundation is required to report information regarding its financial position and activities according to the following three classes of net assets.

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 Foundation and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Use of 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all monies in banks and highly liquid investments with maturity dates of less than three months to be cash equivalent.

NEW JERSEY FOUNDATION FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in marketable securities and debt securities in the statement of financial position are valued at their fair values based on quoted market prices or prices which are provided by investment managers that are obtained from independent sources they believe to be reliable. Realized and unrealized gains and losses are included in the statement of activity.

Promises to Give

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

Income Tax Status

The Foundation is exempt from federal income taxes under the provisions of Section 501 (c)(3) of the Internal Revenue Code.

The most significant tax position of the Foundation is its assertion that it is exempt from income taxes. Other significant tax positions include its determination of whether any amounts are subject to unrelated business tax (UBIT). Management has determined the Foundation had no activities subject to UBIT in the year ended December 31, 2017. All significant tax positions have been considered by management and it has determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

The Foundation is required to file Form 990 (Return of Organization Exempt from Income Tax) which is subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of the tax return. The Forms 990 for 2014 through 2016 are open to examination by the IRS as of December 31, 2017.

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a donor stipulation expires, that is, when a stipulated time restricted ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activity as net assets released from restrictions.

NEW JERSEY FOUNDATION FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

(2) CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the Foundation at December 31, at current values, were as follows:

	<u>2017</u>	<u>2016</u>
Certificate of Deposit	\$ 70,167	\$ 50,000
Checking Account	<u>141,715</u>	<u>125,261</u>
	<u>\$211,882</u>	<u>\$175,261</u>

At December 31, 2017, the Foundation maintained its deposits in two banks. Balances on deposit are insured by the Federal Deposit Insurance Corporation in the amount of \$250,000 in each bank depository.

(3) NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during the year ended December 31, 2017.

NEW JERSEY FOUNDATION FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

(4) CONTRIBUTIONS

Contributions of \$5,000 or more were received from the following organizations for the year ended December 31, 2017:

Robert Wood Johnson Foundation	\$ 80,000
Fannie and Morris Sklaw Foundation	25,000
Johnson & Johnson	50,000
The Henry and Marilyn Taub Foundation	20,000
Novartis	7,500
PSE & G foundation	<u>20,000</u>
	<u>\$202,500</u>

(5) FINANCIAL DEPENDENCY

The Foundation's receives approximately 75% of its operating revenue from contributions and grants. The Foundation is economically dependent on these contributions to carry on its operations.

(6) SUBSEQUENT EVENTS

The New Jersey Foundation for Aging, Inc. has evaluated subsequent events occurring after the financial statement date through August 10, 2018, which is the date the financial statements were available to be issued. Based on this evaluation, the New Jersey Foundation for Aging, Inc. has determined that no subsequent events have occurred which require disclosure in the financial statements.

(7) LITIGATION, CLAIMS AND CONTINGENT LIABILITIES

In the ordinary conduct of its business, the Foundation may be a party to litigation. At December 31, 2017, in the opinion of management, there were no matters pending or threatened which would have a material adverse effect on the financial position of the Foundation.