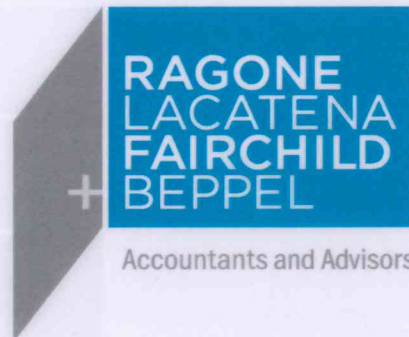


THE JOSEPH FUND, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2021



THE JOSEPH FUND, INC.

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FINANCIAL STATEMENTS

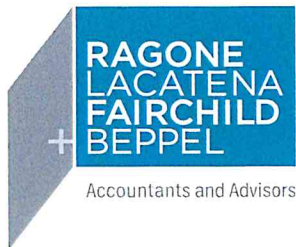
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The Joseph Fund, Inc.

Opinion

We have audited the accompanying financial statements of The Joseph Fund, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows and functional expenses for the year 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 Joseph Fund, Inc. as of December 31, 2021 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Joseph Fund, Inc. and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management 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, 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 Joseph 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.

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Auditor's 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 auditor's 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 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 Joseph 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 Joseph Fund, Inc.'s 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.

Respectfully submitted,



RAGONE, LACATENA, FAIRCHILD & BEPPEL, P.C.
Certified Public Accountants

Haddonfield, New Jersey
August 3, 2022

THE JOSEPH FUND, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 765,919
Pledges and Donations Receivable	<u>25,737</u>
Total Current Assets	<u><u>\$ 791,656</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accured Expenses	<u>\$ 12,397</u>
Total Current Liabilities	12,397

NET ASSETS

Without Donor Restrictions	473,454
With Donor Restrictions	<u>305,805</u>
Total Net Assets	<u>779,259</u>
Total Liabilities and Net Assets	<u><u>\$ 791,656</u></u>

THE JOSEPH FUND, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>REVENUES</u>			
Grants and Contributions	\$ 296,024	\$ 141,287	\$ 437,311
Special Events (Net)	91,962	-	91,962
Interest Income	2,701	-	2,701
Released from Restrictions	<u>77,575</u>	<u>(77,575)</u>	<u>-</u>
Total Revenues	468,262	63,712	531,974
<u>FUNCTIONAL EXPENSES</u>			
Program	291,907	-	291,907
Management & General	26,718	-	26,718
Fundraising	<u>4,465</u>	<u>-</u>	<u>4,465</u>
Total Functional Expenses	<u>323,090</u>	<u>-</u>	<u>323,090</u>
<u>Change in Net Assets</u>	145,172	63,712	208,884
<u>Beginning Net Assets</u>	<u>328,282</u>	<u>242,093</u>	<u>570,375</u>
<u>Ending Net Assets</u>	<u>\$ 473,454</u>	<u>\$ 305,805</u>	<u>\$ 779,259</u>

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

THE JOSEPH FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Cash Flows From Operating Activities

Change in Net Assets	\$ 208,884
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in:	
Pledges and Donations Receivable	(11,935)
Prepaid Expenses	5,000
Accrued Expenses	12,397
Payroll Taxes Payable	<u>(4,297)</u>
Total Adjustments	<u>1,165</u>
<u>Net Cash Provided By Operating Activities</u>	<u>210,049</u>
<u>Net Increase in Cash</u>	210,049
<u>Cash - Beginning of Year</u>	<u>555,870</u>
<u>Cash - End of Year</u>	<u><u>\$ 765,919</u></u>

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

THE JOSEPH FUND, INC.

Total

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THE JOSEPH FUND, INC.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

NOTE 1: Nature of Activities – The Joseph Fund, Inc. (“Organization”) is a non-profit organization exempt under section 501(c)(3) of the Internal Revenue Code. The Organization was founded in April 2012. The Joseph Fund’s mission is to transform the lives of children in Camden through the power of education. The Joseph Fund does this by providing scholarship and tuition assistance to the children and families of Camden through the collection of donations from individuals, businesses and specific programs.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting which requires, in general, that income be recognized when earned and expenses when incurred without regard to the receipt or disbursement of cash.

Tax-Exempt Status – The Joseph Fund, Inc. qualifies as a 501(c)(3) tax-exempt organization under existing provisions of the Internal Revenue Code. Therefore, it is not subject to federal or state income taxes on revenues that are related to the exempt purpose of the organization.

Cash and Cash Equivalents – The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Advertising – The Organization expenses advertising costs as incurred.

Accounting Standards – The Organization’s statements are prepared in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Accounting for Contributions topic of FASB ASC, The Joseph Fund, Inc. recognizes contributions received, including unconditional promises to give, in the period received. The Presentation of Financial Statements topic of FASB ASC establishes standards for general purpose, external financial statements of nonprofit organizations. In particular, it requires organizations to present statements of financial position, activities, functional expenses and cash flows. It also requires that an organization’s net assets and its revenues, expenses, gains, and losses be classified based on the existence or absence of donor-imposed restrictions.

THE JOSEPH FUND, INC.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Contributions – Contributions received are recognized as revenue and recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Net Assets – The Organization is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

- Without Donor Restrictions – These resources are available for use in general operations and are not subject to donor-imposed restrictions. The Board of Trustees has discretionary control over these resources. Board Designated amounts, if any, represent those net assets that the board has set aside for a particular purpose.
- With Donor Restrictions – These resources are subject to donor-imposed restrictions that will be satisfied by action of the Organization or by the passage of time.

Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the specific programs benefited. Directly identifiable expenses are charged to the specific programs benefited. Expenses related to more than one function are allocated on the basis of estimates of time and effort. Management and general expenses also include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTE 3: CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits.

NOTE 4: PLEDGES AND DONATIONS RECEIVABLE

Unconditional promises to give at December 31, 2021 are as follows:

Receivable in less than one year	<u>\$ 25,737</u>
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THE JOSEPH FUND, INC.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

NOTE 5: NET ASSETS WITH DONOR RESTRICTIONS

The Organization receives various donor contributions to support various educational initiatives and social welfare projects. Net assets with donor restrictions consist of the following as of December 31, 2021:

Restricted for Specific Purposes:	
Partner Organizations	\$ 32,310
Scholarships	<u>273,495</u>
Total	<u>\$ 305,805</u>

NOTE 6: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity on a regular basis so that it is able to meet its operating needs and other contractual commitments.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash	\$ 765,919
Pledges and Donations Receivable	<u>25,737</u>
Total financial assets	<u>791,656</u>
Less: funds unavailable for general expenditure within one year due to:	
Donor restrictions	<u>305,805</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 485,851</u>

THE JOSEPH FUND, INC.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

NOTE 7: CONTINGENCY

In May 2020, the Organization received a loan in the amount of \$32,328 from Republic Bank under the Small Business Administration's (SBA) Paycheck Protection Program. Under this program the SBA will forgive all, or a portion of, the loan if certain employee retention criteria are met and the funds are used for eligible expenses. Final loan forgiveness is determined by the SBA. On April 21, 2021, the Organization received the final determination from the SBA that the PPP loan will be forgiven 100%. The SBA retains the right to audit the Organization for six years to substantiate that all forgiveness criteria has been met. Management believes the Organization has fulfilled all loan criteria and spending requirements to sustain 100% loan forgiveness. The Organization has previously recognized the entire \$32,328 as a government grant.

As a result of the COVID-19 outbreak, economic uncertainties may arise which may negatively impact the operating results of the Organization. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our donors, employees and vendors all of which are uncertain and cannot be predicted. At this point, the related financial impact and duration cannot be reasonably estimated.

NOTE 8: EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 3, 2022, the date which the financial statements were available to be issued.