

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
(A NON-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2016

(With Independent Auditors' Report)

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION

DECEMBER 31, 2016

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
New Jersey Youth
Development Foundation
Kenilworth, New Jersey

We have audited the accompanying financial statements of New Jersey Youth Development Foundation (a nonprofit organization), which comprise the statement of assets and net assets - modified cash basis as of December 31, 2016, and the related statement of support, revenue, and expenses - modified cash, and statement of functional expenses - modified cash basis for the year 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 the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' 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 of 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 auditors' 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 assets and net assets of New Jersey Youth Development Foundation as of December 31, 2016, and its support, revenue, and expenses for the year then ended in accordance with cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Fairfield, New Jersey
July 19, 2017

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
STATEMENT OF ASSETS AND NET ASSETS - MODIFIED CASH BASIS
DECEMBER 31, 2016

ASSETS

CASH AND EQUIVALENTS	\$ 130,195
INVESTMENTS, at cost	200,000
EQUIPMENT - net of accumulated depreciation of \$7,939	<u>11,161</u>
TOTAL ASSETS	<u>\$ 341,356</u>

NET ASSETS

UNRESTRICTED NET ASSETS	<u>\$ 341,356</u>
TOTAL NET ASSETS	<u>\$ 341,356</u>

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

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
STATEMENT OF SUPPORT, REVENUE, AND EXPENSES - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2016

SUPPORT AND REVENUE:	
Contributions - Trustees	\$ 39,581
Contributions - Foundations	150,620
Special events, net of direct costs of \$93,523, respectively	126,268
Programs	96,999
Golf shop/clubhouse	7,645
Miscellaneous	<u>357</u>
TOTAL SUPPORT AND REVENUE	<u>421,470</u>
FUNCTIONAL EXPENSES:	
Program services	231,163
Management and general	72,138
Fundraising	<u>60,058</u>
TOTAL FUNCTIONAL EXPENSES	<u>363,359</u>
EXCESS OF SUPPORT AND REVENUE OVER FUNCTIONAL EXPENSES	58,111
UNRESTRICTED NET ASSETS - beginning of year	<u>283,245</u>
UNRESTRICTED NET ASSETS - end of year	<u><u>\$ 341,356</u></u>

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

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2016

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 123,262	\$ 34,997	\$ 55,231	\$ 213,490
Dues and subscriptions	-	524	-	524
Payroll taxes	12,351	3,550	4,827	20,728
Insurance	-	8,792	-	8,792
Professional fees	-	4,650	-	4,650
Rent and utilities	4,000	200	-	4,200
Office supplies	5,945	11,185	-	17,130
Program expenses	48,139	-	-	48,139
Golf shop/clubhouse	-	7,796	-	7,796
Advertising	18,956	-	-	18,956
Technology	11,588	-	-	11,588
Travel	3,682	-	-	3,682
Depreciation	3,240	414	-	3,654
Miscellaneous	-	30	-	30
TOTAL FUNCTIONAL EXPENSES	<u>\$ 231,163</u>	<u>\$ 72,138</u>	<u>\$ 60,058</u>	<u>\$ 363,359</u>

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

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS
DECEMBER 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

New Jersey Youth Development Foundation, a NJ Nonprofit Corporation (the "Organization"), d/b/a The First Tee of Raritan Valley, is a not-for-profit organization incorporated under the laws of the State of New Jersey. The Internal Revenue Service has determined that the Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization is a U.S. based charity committed to impact the lives of young people by providing educational programs that build character, instill life enhancing values and promote healthy choices through the game of golf.

Basis of Accounting

The financial statements of the Organization have been prepared on the modified cash basis. Consequently, revenue and the related assets are recognized when received rather than when earned and expenses and related liabilities are recognized when paid rather than when incurred. Modifications to the cash basis include equipment which is capitalized and depreciated over its useful life.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets depending on the existence and/or nature of any donor restrictions.

Unrestricted net assets are those not subject to any donor-imposed restrictions. Temporarily restricted net assets are those subject to donor-imposed use or time restrictions that expire either when the contributions are used for their stipulated purposes or when the time restrictions expire. Permanently restricted net assets are those subject to donor-imposed restrictions that neither expire with the passage of time nor can be met and removed by actions of the Organization.

As of December 31, 2016, the Organization's net assets consisted of only unrestricted.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are classified as unrestricted contributions in the accompanying financial statements.

NEW JERSEY YOUTH DEVELOPMENT FOUNDATION
NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS
DECEMBER 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three (3) months or less when purchased to be cash equivalents.

The Organization maintains cash in bank accounts which, at times, may exceed federally-insured limits. The Organization has not experienced any losses in such accounts.

Investments

The Organization's investments in certificate of deposits are classified as held to maturity and are stated at cost.

Equipment

Equipment is carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets, which is from five (5) to seven (7) years. Depreciation recorded in 2016 was \$3,654.

Functional Expenses

Expenses are charged to program, management and general, and fundraising based on a combination of specific identification and allocation by management.

NOTE 2 - EQUIPMENT

At December 31, equipment consists of the following:

Vehicle	\$16,200
Furniture	<u>2,900</u>
	19,100
Less: Accumulated depreciation	<u>7,939</u>
	<u>\$ 11,161</u>

NOTE 3 - SPECIAL EVENTS

Income from the Organization's special events is as follows:

July Golf Event	\$ 101,720
Hoffman Cup	8,250
Polar Bear Golf Event	7,040
Liberty National	38,566
Non-golf Events	<u>64,215</u>
	<u>\$219,791</u>

NOTE 4 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 19, 2017, the date the financial statements were available for issuance.