

**Jersey Battered Women's
Service, Inc.
d/b/a JBWS**

Financial Statements

December 31, 2022
(with summarized comparative totals for 2021)



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Jersey Battered Women’s Service, Inc.
d/b/a JBWS
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December 31, 2022 and 2021

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Independent Auditors' Report

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jersey Battered Women's Service, Inc., d/b/a JBWS, ("JBWS") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of JBWS as of December 31, 2022, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Jersey Battered Women's Service, Inc. and to meet our other 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.

Change in Accounting Principle

As discussed in Notes 1 and 11 to the financial statements, JBWS changed its method of accounting for leases as of January 1, 2022 due to the adoption of Accounting Standard Codification Topic 842, *Leases*. Our opinion is not modified with respect to this matter.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

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.

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 GAAS 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 GAAS, 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 JBWS'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 JBWS'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.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

Report on Summarized Comparative Information

We have previously audited JBWS's December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 26, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey State Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and the schedule of receipts and disbursements of IOLTA funding, are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The schedule of receipts and disbursements of IOLTA funding is the responsibility of management. Such information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked "unaudited", has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2023 on our consideration of JBWS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JBWS's internal control over financial reporting and compliance.

Nisiroccia LLP

Mt. Arlington, New Jersey
April 11, 2023

Jersey Battered Women's Service, Inc.
d/b/a JBWS
Statement of Financial Position
December 31, 2022
(With Summarized Comparative Totals for 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 935,119	\$ 472,473	\$ 1,407,592	\$ 2,121,274
Investments	196,872		196,872	202,187
Accounts receivable	452,007		452,007	209,458
Contribution receivable	15,694	58,374	74,068	48,652
Pledges receivable, net	32,100	150,000	182,100	53,541
Prepaid expenses and other current assets	117,279		117,279	164,624
Total current assets	<u>1,749,071</u>	<u>680,847</u>	<u>2,429,918</u>	<u>2,799,736</u>
Property, plant and equipment, at cost:				
Land	245,216		245,216	245,216
Land improvements	223,252		223,252	223,252
Building and improvements	6,211,854		6,211,854	6,223,977
Furniture and fixtures	655,953		655,953	638,506
Equipment	1,114,841		1,114,841	931,201
Automobile	54,236		54,236	52,337
	8,505,352		8,505,352	8,314,489
Less: accumulated depreciation	<u>(5,925,854)</u>		<u>(5,925,854)</u>	<u>(5,679,708)</u>
Property, plant and equipment, net	<u>2,579,498</u>		<u>2,579,498</u>	<u>2,634,781</u>
Intangible assets, at cost				
	31,000		31,000	18,000
Less: accumulated amortization	<u>(12,940)</u>		<u>(12,940)</u>	<u>(8,040)</u>
Intangible assets, net	<u>18,060</u>		<u>18,060</u>	<u>9,960</u>
Noncurrent assets:				
Investments	3,069,249	4,762,351	7,831,600	8,005,230
Contribution receivable		204,189	204,189	
Other assets	47,230		47,230	47,230
Right of use asset - operating lease	154,294		154,294	
Total noncurrent assets	<u>3,270,773</u>	<u>4,966,540</u>	<u>8,237,313</u>	<u>8,052,460</u>
Total assets	<u>\$ 7,617,402</u>	<u>\$ 5,647,387</u>	<u>\$ 13,264,789</u>	<u>\$ 13,496,937</u>
<u>LIABILITIES AND NET ASSETS</u>				
Liabilities:				
Current liabilities:				
Accounts payable and accrued expenses	\$ 248,934		\$ 248,934	\$ 192,262
Deferred revenue	276,224		276,224	143,075
Other current liabilities	52,210		52,210	46,169
Current portion operating lease liability	25,286		25,286	
Total current liabilities	<u>602,654</u>		<u>602,654</u>	<u>381,506</u>
Long term liabilities:				
Operating lease liability, net of current portion	132,513		132,513	
Total liabilities	<u>735,167</u>		<u>735,167</u>	<u>381,506</u>
Net assets:				
Without donor restrictions	6,882,235		6,882,235	6,938,084
With donor restrictions		\$ 5,647,387	5,647,387	6,177,347
Total net assets	<u>6,882,235</u>	<u>5,647,387</u>	<u>12,529,622</u>	<u>13,115,431</u>
Total liabilities and net assets	<u>\$ 7,617,402</u>	<u>\$ 5,647,387</u>	<u>\$ 13,264,789</u>	<u>\$ 13,496,937</u>

See Accompanying Notes to Financial Statements

Jersey Battered Women's Service, Inc.
d/b/a JBWS
Statement of Activities
Year Ended December 31, 2022
(With Summarized Comparative Totals for 2021)

	2022		2021
	Without Donor Restrictions	With Donor Restrictions	Total
			Total
Support, revenue and gains:			
Grants	\$ 2,802,878		\$ 2,802,878
Special events	949,535		949,535
Contributions	1,436,014	\$ 655,315	2,091,329
In-kind contribution	29,187	262,563	291,750
Fee for service	70,001		70,001
Forgiveness of refundable advance			615,849
Interest and investment income (loss), net	(366,120)	(723,952)	(1,090,072)
	4,921,495	193,926	5,115,421
Satisfaction of donor restrictions	723,886	(723,886)	
Total support, revenue and gains	5,645,381	(529,960)	5,115,421
Expenses:			
Program services:			
Arbour House	952,941		952,941
Center for Counseling & Advocacy	611,430		611,430
Jersey Center for Non-Violence	337,434		337,434
Children's Program	533,631		533,631
Family Justice Center	415,978		415,978
Simon House	484,386		484,386
Community Relations	176,601		176,601
Community Housing & Assistance	566,942		566,942
Total program services	4,079,343		4,079,343
Supporting Services:			
Administration	809,839		809,839
Fundraising	510,908		510,908
Costs of special events	278,254		278,254
Total supporting services	1,599,001		1,599,001
Total expenses before loss on disposal of capital assets	5,678,344		5,678,344
Loss on disposal of capital assets	22,886		22,886
Total expenses and losses	5,701,230		5,701,230
Change in net assets	(55,849)	(529,960)	(585,809)
Net assets, beginning of year	6,938,084	6,177,347	13,115,431
Net assets, end of year	\$ 6,882,235	\$ 5,647,387	\$ 12,529,622

See Accompanying Notes to Financial Statements

Jersey Battered Women's Service, Inc.
d/b/a JBWS

Statement of Functional Expenses

Year Ended December 31, 2022

(With Summarized Comparative Totals for 2021)

	Program Services								Support Services			2022 Total Expenses	2021 Total Expenses
	Arbour House	Center for Counseling & Advocacy	Jersey Center for Non-Violence	Children's Program	Family Justice Center	Simon House	Community Relations	Community Housing & Assistance	Total	Admini- stration	Costs of Special Events and Fundraising		
Expenses:													
Salaries	\$ 548,381	\$ 433,515	\$ 224,101	\$ 260,961	\$ 227,193	\$ 203,914	\$ 106,617	\$ 92,764	\$ 2,097,446	\$ 497,656	\$ 359,525	\$ 2,954,627	\$ 2,815,834
Employee benefits	86,762	47,040	21,917	32,205	43,821	19,130	16,197	27,930	295,002	29,124	45,397	369,523	368,750
Payroll taxes	42,035	30,986	18,421	22,018	17,110	14,220	8,174	6,751	159,715	38,579	27,687	225,981	216,617
Total personnel services	677,178	511,541	264,439	315,184	288,124	237,264	130,988	127,445	2,552,163	565,359	432,609	3,550,131	3,401,201
Professional fees	13,489	16,790	10,659	106,605	14,346	10,697	4,967	2,581	180,134	64,881	6,802	251,817	233,648
Materials and supplies	3,834	1,675	1,078	1,426	898	2,463	2,279	167	13,820	27,801	4,316	45,937	17,599
Telephone	4,062	10,179	3,504	2,422	6,891	1,169	1,286	1,747	31,260	2,788	1,627	35,675	38,900
Postage	1,140	623	511	443	387	448	292	172	4,016	4,150	3,715	11,881	7,132
Occupancy	131,261	10,761	27,376	24,536	56,820	92,022	6,914	2,862	352,552	21,029	7,688	381,269	362,020
Lease expense	10,164	833	2,120	1,900	4,399	7,125	535	222	27,298	1,628	595	29,521	25,443
Equipment rental	18,055	17,029	9,185	9,874	13,620	14,885	6,058	4,637	93,343	13,675	24,678	131,696	104,441
Printing			27		322		817		1,166	12,116	5,162	18,444	8,602
Travel	1,055	4,657		100	5,619		1,581		13,012	1,264	529	14,805	3,631
Conferences		1,007	530	285	2,736		1,909		6,467	25,777	633	32,877	15,804
Assistance to individuals	1,306	190		24,566	1,373	19,914		417,800	465,149			465,149	253,572
Membership dues	701	600	400	200	1,797	3,001	1,649		8,348	5,960	361	14,669	14,640
Insurance	21,605	10,219	4,357	9,069	5,711	15,039	4,841	2,683	73,524	13,004	5,899	92,427	87,866
Other	4,645	3,071	4,815	8,326	1,649	1,664	1,635	1,107	26,912	5,008	3,712	35,632	33,496
	888,495	589,175	329,001	504,936	404,692	405,691	165,751	561,423	3,849,164	764,440	498,326	5,111,930	4,607,995
Costs of special events											278,254	278,254	249,353
Depreciation and amortization	64,446	22,255	8,433	28,695	11,286	78,695	10,850	5,519	230,179	45,399	12,582	288,160	292,975
Total expenses	\$ 952,941	\$ 611,430	\$ 337,434	\$ 533,631	\$ 415,978	\$ 484,386	\$ 176,601	\$ 566,942	\$ 4,079,343	\$ 809,839	\$ 789,162	\$ 5,678,344	\$ 5,150,323

See Accompanying Notes to Financial Statements

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ (585,809)	\$ 1,695,937
Adjustments to reconcile change in net assets to net cash provided by operations:		
Depreciation and amortization	288,160	292,975
Loss on disposal of capital assets	22,886	16,082
Realized net gain on investments	(114,248)	(367,701)
Unrealized (gain) loss on investments	1,347,435	(391,066)
Interest and dividends reinvested	(139,432)	(144,211)
Change in allowance for uncollectible pledges receivable	(6,692)	2,592
Contribution receivable	(229,605)	58,374
Forgiveness of refundable advance		(610,000)
Changes in operating assets and liabilities:		
Accounts receivable	(242,549)	318,144
Pledges receivable	(121,867)	(30,100)
Prepaid expenses and other current assets	47,345	(4,804)
Accounts payable and accrued expenses	56,672	6,685
Deferred revenue	133,149	143,075
Other current liabilities	6,041	(9,307)
Operating lease asset and liability	3,505	
Net cash provided by operating activities	<u>464,991</u>	<u>976,675</u>
Cash flows from investing activities:		
Purchase of capital assets	(250,863)	(119,971)
Purchase of intangible assets	(13,000)	(2,400)
Proceeds from sale and maturity of investments	786,577	604,187
Purchase of investments	<u>(1,701,387)</u>	<u>(653,971)</u>
Net cash used in investing activities	<u>(1,178,673)</u>	<u>(172,155)</u>
Net increase (decrease) in cash and cash equivalents	(713,682)	804,520
Cash and cash equivalents, beginning of year	<u>2,121,274</u>	<u>1,316,754</u>
Cash and cash equivalents, end of year	<u>\$ 1,407,592</u>	<u>\$ 2,121,274</u>
Supplemental disclosure of noncash activities:		
Unrealized gain (loss) on investments	<u>\$ (1,347,435)</u>	<u>\$ 391,066</u>
In-kind contribution	<u>\$ 291,750</u>	<u>\$ 58,374</u>
Forgiveness of refundable advance - interest expense	<u>\$ -</u>	<u>\$ 5,849</u>

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

1. Significant Accounting Policies

Nature of the Business

The Jersey Battered Women’s Service, Inc., d/b/a JBWS, (“JBWS”) is a private, non-profit agency providing safety, support and solutions to families subjected to domestic violence in Morris County, New Jersey. The programs provided by JBWS include Arbour House, an emergency shelter for abuse victims and their children, Simon House, a transitional living resource center which aims to bridge the gap between emergency shelter and permanent housing, a 24-hour helpline, a crisis intervention program, individual and group counseling, a children’s program, community and professional education programs, a legal advocacy program, and Jersey Center for Non-Violence, which is designed to provide counseling for those who have used abuse in their relationships. The Morris Family Justice Center is a coordinated effort among agencies, including county government, law enforcement, social service, and the court, to provide services to victims of domestic violence. The Community Housing and Assistance program helps to obtain housing for victims and their families.

Method of Accounting

The accounting records are maintained on the accrual method of accounting and conform to accounting principles generally accepted in the United States of America. To ensure observance of limitations and restrictions placed on the use of resources available, the accounts are maintained internally by JBWS in accordance with the principles of fund accounting.

Basis of Presentation

JBWS prepares its financial statements in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”), *Accounting for Contributions Received and Made*, and FASB ASC, *Financial Statements of Not-for-Profit Entities*. FASB ASC, *Presentation of Financial Statements of Not-for-Profit Entities* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories: net assets with donor restrictions and net assets without donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. In addition, the standard requires the presentation of qualitative information on how JBWS manages its liquid available resources and liquidity risks. Quantitative information that communicates the availability of a nonprofit's financial assets at the statement of financial position date to meet cash needs for general expenditures within one year is required to be presented on the face of the financial statement and/or in the notes to the financial statements. FASB ASC, *Accounting for Contributions Received and Made* requires that unconditional promises to give be recorded as receivables and revenue and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Accordingly, net assets of JBWS and changes therein are classified and reported as follows:

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

Net assets without donor restrictions are resources representing the portion of expendable funds available for support of JBWS’s programs and general operations. These resources are not subject to donor-imposed stipulations.

Net assets with donor restrictions include net assets subject to donor-imposed stipulations that may or will be met, either by actions of JBWS and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates that the resources be maintained in perpetuity, and includes the income earned on these net assets with donor restrictions, other than income appropriated under JBWS’s spending policy. 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.

Revenue and Support Recognition

Revenue is measured based on consideration specified in a contract with a customer. This occurs with the transfer of control of the sale at a specific point in time. JBWS recognizes fee for service revenue when the services are provided. JBWS records special events revenue equal to the fair value of direct benefits to donors and for the excess over event cost received when the event takes place. There are no multi-year contracts and performance obligations are typically satisfied within one year or less.

JBWS recognizes contributions and pledges when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of JBWS’s revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when JBWS has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position. At December 31, 2022 and 2021, deferred revenue amounted to \$276,224 and \$143,075, respectively.

Disaggregation of Revenue

In the following table, revenue is disaggregated by timing of satisfaction of performance obligations for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Performance obligations satisfied at a point in time	<u>\$ 376,948</u>	<u>\$ 548,425</u>

Revenue from performance obligations satisfied at a point in time consists of fee for service revenue and JBWS’s fundraising efforts.

Accounts, Pledges, and Contributions Receivable and Allowances for Uncollectible Accounts

Accounts, pledges, and contributions receivable are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. There was no allowance for uncollectible accounts receivable and contributions receivable as of December 31, 2022 and 2021, as management deemed all accounts and contributions receivable to be collectible as of the date of the financial statements. Management has established an allowance for uncollectible pledges receivable in the amount of \$0 and \$6,692 as of December 31, 2022 and 2021, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities, revenues and expenses and changes therein, and disclosures of contingent assets and contingent liabilities and accompanying notes. It is reasonably possible that JBWS’s estimates may change in the near term.

Summarized Prior Year Information

The financial statements include summarized comparative information from the prior year, which is not presented by net asset class and does not include sufficient detail to conform with U.S. generally accepted accounting principles. This information should be read in conjunction with JBWS’s financial statements for the year ended December 31, 2021, from which the comparative information was derived.

Income Taxes

JBWS is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code, and is also exempt from state income taxes under Chapter 104 of Title 54, Revised Statutes of the New Jersey Law. JBWS has also been classified as entities that are not private foundations within the meaning of Section 509(a) and qualify for deductible contributions as provided in Section 170(b)(1)(A)(vi). Accordingly, no provision for federal or state income tax has been presented in the accompanying financial statements.

JBWS follows the provisions of FASB ASC, *Income Taxes*. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition as they relate to those tax positions.

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

JBWS does not expect a significant increase or decrease to the total amounts of unrecognized tax positions for the years ended December 31, 2022 and 2021. However, JBWS is subject to audit by tax authorities including a review of its nonprofit status which management believes its nonprofit status would be upheld upon examination. JBWS believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. JBWS does not have a tax liability accrued for as of December 31, 2022 and 2021.

As required by law, JBWS files informational returns with both the United States federal and State of New Jersey jurisdictions on an annual basis - Form 990 with the Internal Revenue Service, and Form CRI-300R with the State. JBWS is subject to examinations at any time within certain statutorily defined periods for federal and for the State of New Jersey.

Cash and Cash Equivalents

Cash and cash equivalents include all items which are highly liquid and have original maturities of three months or less. Cash and cash equivalents amounted to \$1,407,592 and \$2,121,274 at December 31, 2022 and 2021, respectively, of which cash equivalents of \$472,473 and \$524,756, respectively, are components of the donor restricted net assets.

Gift Certificates

Various vendors donate gift certificates to JBWS which are then distributed to clients, and former clients in need of food, clothing, etc. JBWS had gift certificates in the amount of \$17,458 and \$28,355 at December 31, 2022 and 2021, respectively, which is included in the statement of financial position as a component of prepaid expenses and other current assets.

Unemployment Trust Fund

JBWS is a member of Unemployment Services Trust (“UST”), a member-owned grantor trust designed to allow 501(c)(3) organizations to administer their own unemployment claims. JBWS uses UST as its unemployment claims monitor. JBWS pays contributions into a fund with UST to provide for unemployment claims. Amounts not used for unemployment claims or fees remains as a reserve balance. UST’s investment policy is such that assets of the fund are invested conservatively in order to preserve the members’ capital. Investment results are redistributed to members’ accounts to help offset members’ expenses. JBWS had a reserve balance in the amount of \$74,124 and \$115,662, at December 31, 2022 and 2021, respectively, which is included in the statement of financial position as a component of prepaid expenses and other current assets.

Property, Plant and Equipment

Donations of property, plant and equipment are recorded as support at their estimated fair value on the date of the gift. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

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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 support. Absent donor stipulations regarding how long those donated assets must be maintained, JBWS reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. JBWS reclassifies restricted net assets to net assets without donor restrictions at that time.

Property and equipment are depreciated using the straight-line method. Expenditures for maintenance, repairs, and renewals of minor items are charged to earnings as incurred. Major renewals and improvements are capitalized.

In accordance with FASB ASC, *Accounting for the Impairment or Disposal of Long-Lived Assets*, JBWS periodically evaluates property for impairment, relying on a number of factors including operating results, and future business plans. Recoverability of property is evaluated by a comparison of the carrying amount of an asset or asset group to estimated future recoverability of the carrying amount of the asset or asset group. If these comparisons indicate that an asset is not recoverable, the impairment loss recognized is the amount by which the carrying amount of the asset exceeds the estimated fair value.

Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets as follows:

Land improvements	15 years
Building and improvements	35 years
Equipment	5-15 years
Furniture and fixtures	7 years
Automobile	5 years

Total depreciation expense was \$283,260 and \$289,615 for the years ended December 31, 2022 and 2021, respectively.

Intangible Assets

In accordance with FASB ASC, *Intangibles – Goodwill and Other*, website costs incurred during the application and infrastructure development stage are capitalized. Costs incurred during the planning stage and operation stage are expensed as incurred. Amortization is computed on a straight-line basis over the estimated useful life of the related asset as follows:

Website	5 years
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Total amortization expense was \$4,900 and \$3,360 for the years ended December 31, 2022 and 2021, respectively.

Investments

JBWS follows FASB ASC, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. In accordance with this accounting standard, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income or loss (including interest, dividends and realized gains and losses on the sale of investments) are included in the statement of activities as increases or decreases of net assets without donor restrictions unless the income or loss is restricted by the donor or law. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by the passage of time or by use) in the reporting period in which the income and gains are recognized. Fair market value, at acquisition or contribution, as well as at subsequent dates, is determined based on quoted market prices.

Fair Value of Financial Instruments

In accordance with FASB ASC, *Fair Value Measurements and Disclosures*, fair value is defined as a market-based measurement, not an entity-specific measurement. The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability). A fair value measurement assumes that the transaction to sell the asset or transfer the liability either occurs in the principal market (or in its absence, the most advantageous market) for the asset or liability.

The Fair Value Measurements Topic of the FASB ASC establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The measurement of fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). An exit price valuation will include margins for risk even if they are not observable.

As JBWS is released from risk, the margins for risk will also be released through net realized capital gains (losses) in net income. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that JBWS has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;

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- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques:

- Market approach - Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- Cost approach - Amount that would be required to replace the service capacity of an asset (i.e., replacement cost);
- Income approach - Techniques that convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. For some assets and liabilities, observable market transactions or market information may be available. For other assets and liabilities, observable market transactions and market information might not be available. When a price for an identical asset or liability is not observable, a reporting entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, a reporting entity's intention to hold an asset or settle or otherwise fulfill a liability is not relevant when measuring fair value.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Certificates of deposit: The carrying amounts are stated at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

U.S. government securities: The carrying amounts are valued at the closing price reported on the active market on which the individual securities are traded.

Common stocks: The carrying amounts are valued at the closing price reported in the active market in which the individual securities are traded.

Mutual funds: The carrying amounts are stated at the net asset value (NAV) of shares held by JBWS at year end.

Corporate bonds: Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded.

Fund of funds: The carrying amounts are stated at the NAV, as determined by the fund manager, of shares held by JBWS at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while JBWS believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

JBWS invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect JBWS's investments and the amounts reported in the statement of financial position and the statement of activities.

Management reviews financial instruments for other than temporary decline in accordance with the requirements of fair value measurements. JBWS's investments in mutual funds are comprised primarily of investments in exchange-traded debt and equity securities. Within the fund balance certain individual investments may have fair values measured below cost. The severity of any impairment and the duration of any impairment correlate with current market conditions. Based upon the near-term prospects of the issuer of any of those securities in relation to the severity and duration of the impairment, and based upon JBWS's ability and intent to hold those investments for a reasonable period of time sufficient for a forecasted recovery of fair value, JBWS does not consider those investments to be other-than-temporarily impaired at December 31, 2022 or 2021.

Volunteer Services

A substantial number of unpaid volunteers have made significant contributions of their time to develop and supplement JBWS's programs. The value of this contributed time is not reflected in the financial statements since it does not meet the criteria for recognition under U.S. generally accepted accounting principles.

Fundraising Costs

Fundraising includes the direct costs of special events and the allocation of employees' salaries, when applicable, and other costs involved in fundraising and special events based on methods considered by management to be reasonable.

Functional Allocation of Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among program and supporting services receiving a benefit. The financial statements may report certain categories of expense that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

Expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated based on estimates made by management. Program expenses are those related to the operations of the various programs offered by JBWS. The expenses that are allocated include occupancy and depreciation which are allocated based on a square footage basis, as well as salaries and wages, benefits, and payroll taxes which are allocated based on time and effort, and professional fees, materials and supplies, telephone, postage, equipment rental and insurance which are allocated based on head count. Administration expenses relate to the administrative expenses incurred to operate those programs and are allocated based on estimates of time and effort considered by management to be reasonable. Costs of special events and fundraising relate to direct costs of special events as well as the allocation of employee’s salaries, when applicable, and other costs involved in fundraising and special events.

In-Kind Contributions

JBWS follows the provisions of FASB ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which requires nonprofits to present contributed nonfinancial assets as a separate line in the statement of activities apart from contributions of cash or other financial assets.

Leases

In February 2016, the FASB issued guidance ASC 842, *Leases* to increase transparency and comparability among companies by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

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JBWS adopted FASB ASC 842, with a date of initial application of January 1, 2022, by applying the modified retrospective transition approach and using the additional (and optional) transition method provided by ASU No. 2018-11, *Leases* (Topic 842): Targeted Improvements. JBWS did not restate prior comparative periods as presented under FASB ASC 840 and instead evaluated whether a cumulative effect adjustment to net assets as of January 1, 2022, was necessary for the cumulative impact of adoption of FASB ASC 842. JBWS recognized and measured leases existing at, January 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended December 31, 2021 are made under prior lease guidance in FASB ASC 840.

JBWS elected the available practical expedients to account for existing operating leases under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

ROU assets represent JBWS's right to use leased assets over the term of the lease. Lease liabilities represent JBWS's contractual obligation to make lease payments and are measured at the present value of the future lease payments over the lease term. ROU assets are calculated as the present value of the future lease payments adjusted by any deferred rent liability and lease incentives. ROU assets and lease liabilities are recognized at the lease commencement date. JBWS has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. JBWS has applied the risk-free rate option to the building class of assets.

As a result of the adoption of the new lease accounting guidance, JBWS recognized on January 1, 2022 a lease liability of \$180,994 which represents the present value of the remaining operating lease payments of \$190,507, discounted using the risk free rate of 1.55%, and a right-of-use asset of \$180,994.

JBWS has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that JBWS is reasonably certain to exercise. JBWS recognizes lease cost associated with its short-term leases on a straight-line basis over the lease term.

The standard did not have a material impact on JBWS's financial statement.

Subsequent Events

Management has reviewed subsequent events and transactions that occurred after December 31, 2022 through the date of the independent auditors' report and the date the financial statements were available to be issued, April 11, 2023.

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The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management has determined that there are no nonrecognized subsequent events that require additional disclosure.

2. Concentration of Credit Risk

JBWS deposits its cash in accounts with one regional bank. At times, such amounts may be in excess of federal insurance limits. Management believes that JBWS has no significant risk of loss on these accounts due to the failure of the institutions.

Concentration of credit risk associated with investments is considered low due to the credit quality of the financial institutions holding these investments. Also, credit risk associated with accounts receivable is limited due to the amounts being from large organizations and government agencies.

3. Liquidity and Availability

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,407,592	\$ 2,121,274
Accounts receivable	452,007	209,458
Pledges receivable, net	182,100	53,541
Investments	<u>8,028,472</u>	<u>8,207,417</u>
Total Financial Assets	10,070,171	10,591,690
Less:		
Donor-imposed restrictions:		
Restricted funds	(572,385)	(291,594)
Endowments	<u>(4,833,614)</u>	<u>(5,821,765)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,664,172</u>	<u>\$ 4,478,331</u>

JBWS receives significant contributions and promises to give restricted by donors, and considers contributions restricted by programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. In addition to these available financial assets, a significant portion of JBWS’s annual expenditures will be funded by current year operating revenues including grant, contributions, special events and fee for services income. As part of JBWS’s liquidity management, it invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, JBWS has a committed line of credit in the amount of \$500,000 which it could draw upon.

Additionally, JBWS has \$2,632,229 and \$3,587,200 at December 31, 2022 and 2021, respectively, in accumulated earnings from endowments other than amounts appropriated for general expenditure which could be made available upon board approval.

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4. Investments - donor designated endowments (SPMIFA state)

JBWS’s endowment is comprised of stocks and bonds established for a variety of purposes. Its endowment is made up of donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of JBWS has consistently interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, JBWS classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Accumulated earnings of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by JBWS in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, JBWS considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of JBWS, and (7) JBWS’s investment policies.

Investment Return Objectives, Risk Parameters and Strategies. JBWS has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term.

Accordingly, the investment process seeks to increase the inflation adjusted asset value of the principal capital and the purchasing power of the income while maintaining a moderate risk profile. Diversification of assets is used to manage the risk profile, utilizing strategic asset allocation guidelines.

Spending Policy. JBWS does not schedule specific distributions from the endowment portfolio, but allows periodic withdrawals, with adequate notice, to be taken as the need arises. The investment strategy plans for these periodic withdrawals of earned income from the portfolio.

Endowment net asset composition by type of fund as of December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Donor-restricted endowment funds	<u>\$ 4,833,614</u>	<u>\$ 5,821,765</u>

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Changes in endowment net assets for the years ended of December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Endowment net assets:		
Beginning of year	\$ 5,821,765	\$ 5,515,365
Net appreciation (depreciation)	(757,133)	518,813
Board authorized distributions of appropriated earnings	<u>(231,018)</u>	<u>(212,413)</u>
End of year	<u>\$ 4,833,614</u>	<u>\$ 5,821,765</u>

5. Investments

The following financial instruments are carried at fair value in JBWS’s financial statements. These fair value disclosures include information regarding the valuation of JBWS’s investments:

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	December 31, 2022		
	Cost	Fair Value (Level 1)	Fair Value (Level 2)
Equity securities (by industry):			
Basic materials	\$ 74,857	\$ 108,571	
Consumer goods	292,596	468,053	
Financial	175,343	269,353	
Health care	409,853	583,385	
Industrial goods	282,456	359,916	
Energy	48,452	105,208	
Telecom services	61,306	62,769	
Real Estate	52,289	59,438	
Technology	439,778	837,323	
Total equity securities (by industry)	<u>1,836,930</u>	<u>2,854,016</u>	
Fixed income securities:			
Corporate bonds and notes	1,466,723		\$ 1,342,954
Marketable certificates of deposit	99,550	95,308	
US government and its agencies	233,269	223,578	
Taxable bond funds	96,921	81,161	
Total fixed income securities	<u>1,896,463</u>	<u>400,047</u>	<u>1,342,954</u>
Mutual funds:			
U.S. small cap	220,077	296,338	
U.S. mid cap	85,908	120,093	
U.S. large cap	53,924	62,069	
Commodity	1,204	1,637	
Bank Loan	2,623	2,460	
Bond fund	456,237	422,523	
International fund	524,723	512,026	
Total mutual funds	<u>1,344,696</u>	<u>1,417,146</u>	
Other investments:			
Fund of funds	<u>2,529,993</u>	<u>2,014,309</u>	
Total investments	<u>\$ 7,608,082</u>	<u>\$ 6,685,518</u>	<u>\$ 1,342,954</u>

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	December 31, 2021		
	Cost	Fair Value (Level 1)	Fair Value (Level 2)
Equity securities (by industry):			
Basic materials	\$ 90,259	\$ 133,210	
Consumer goods	323,481	560,330	
Financial	137,896	288,143	
Health care	312,400	518,058	
Industrial goods	147,030	223,320	
Energy	38,107	61,117	
Telecom services	18,009	35,538	
Real Estate	42,446	70,310	
Technology	249,398	871,898	
Total equity securities (by industry)	<u>1,359,026</u>	<u>2,761,924</u>	
Fixed income securities:			
Corporate bonds and notes	1,257,185		\$ 1,270,300
Marketable certificates of deposit	89,520	90,671	
US government and its agencies	186,429	188,528	
Total fixed income securities	<u>1,533,134</u>	<u>279,199</u>	<u>1,270,300</u>
Mutual funds:			
U.S. small cap	194,991	334,828	
U.S. mid cap	48,478	102,369	
U.S. large cap	47,095	70,119	
Commodity	1,204	1,645	
Bond fund	365,765	362,569	
Bank Loan	2,623	2,645	
International fund	548,459	647,410	
Total mutual funds	<u>1,208,615</u>	<u>1,521,585</u>	
Other investments:			
Fund of funds	<u>2,342,211</u>	<u>2,374,409</u>	
Total investments	<u>\$ 6,442,986</u>	<u>\$ 6,937,117</u>	<u>\$ 1,270,300</u>

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. All financial assets of JBWS have been valued using level 1 and level 2 inputs for the years ended December 31, 2022 and 2021.

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Investment activity for the years ending December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Fair value, beginning of year	\$ 8,207,417	\$ 7,254,655
Investment activity:		
Interest and dividends, reinvested	139,432	144,211
Purchases	1,701,387	653,971
Sales	(786,577)	(604,187)
Realized net gain on sales	114,248	367,701
Unrealized gain (loss)	<u>(1,347,435)</u>	<u>391,066</u>
Fair value, end of year	<u>\$ 8,028,472</u>	<u>\$ 8,207,417</u>

Investment return is summarized for the years ended of December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Interest and dividend income reinvested	\$ 139,432	\$ 144,211
Realized gain	114,248	367,701
Unrealized gain (loss)	<u>(1,347,435)</u>	<u>391,066</u>
	<u>\$ (1,093,755)</u>	<u>\$ 902,978</u>

6. Pledges Receivable

Pledges which represent conditional promises to give at December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Pledges expected to be collected in:		
Less than one year	<u>\$ 182,100</u>	<u>\$ 60,233</u>
	182,100	60,233
Less:		
Allowance for uncollectible pledges		6,692
Net unconditional pledges receivable	<u>\$ 182,100</u>	<u>\$ 53,541</u>

Unconditional promises to give are primarily from individuals located in the New Jersey metropolitan area.

7. In-Kind Contribution from the County of Morris

In November 2015, JBWS entered into a lease agreement with the County of Morris to provide office space for the purpose of providing various services to victims of domestic violence.

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The terms of the lease agreement provides JBWS with free use of the facilities for a period of five years, set to expire June 2027. This follows a two year lease extension from 2020. The value recorded by JBWS for office space is based on the actual market rent for similar office space and is reflected as a contribution receivable recorded at present value which approximates future value.

Contribution receivable which represents free use of the facilities at December 31, 2022 and 2021 are as follows:

Contribution expected to be realized in:	<u>2022</u>	<u>2021</u>
Less than one year	\$ 58,374	\$ 48,652
One to five years	<u>204,189</u>	
Net contribution receivable	<u>\$ 262,563</u>	<u>\$ 48,652</u>

JBWS has recorded an expense in the amount of \$58,374 to reflect twelve months of use of the facilities for the years ended December 31, 2022 and 2021, and is included as occupancy expense in the accompanying statement of functional expenses.

The following is a schedule, by years, of the value of these contributed facilities under this non-cancellable operating lease that has an initial lease term in excess of one year as of December 31, 2022:

<u>Year Ending</u>	
2023	\$ 58,374
2024	58,374
2025	58,374
2026	58,374
2027	<u>29,067</u>
	<u>\$ 262,563</u>

8. Bank Line of Credit

JBWS has a \$500,000 line of credit with a financial institution. Borrowings under this line may be used to meet normal short-term working capital needs and will bear interest at the Wall Street Journal prime rate with a floor of 3.75% for each year. The line is secured by an account which must maintain a minimum collateral amount of \$525,000 in securities at all times. The line of credit expires on October 1, 2024. There were no borrowings made during 2022 and 2021, nor were there any amounts outstanding against the line of credit at December 31, 2022 and 2021.

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9. Government Grant - PPP

In April 2020, JBWS received \$610,000 under the United States Small Business Administration’s (SBA) Paycheck Protection Program (PPP). During 2021, JBWS received full forgiveness of principal and interest in the amount of \$610,000 and \$5,849, respectively. The total amount of \$615,849 is recognized as forgiveness of refundable advance in the accompanying statement of activities as the conditions have been met by applying ASC Topic 958-605, *Revenue Recognition*. The SBA reserves the right to audit PPP funding forgiveness for ten years from the date the forgiveness was awarded.

10. Net Assets With Donor Restrictions

Net assets with donor restrictions at December 31, 2022 and 2021 are available for the following purposes or periods:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purposes:		
Program activities:	<u>\$ 813,773</u>	<u>\$ 355,582</u>
	<u>813,773</u>	<u>355,582</u>
Endowments:		
Subject to investment perpetuity:		
Shelter operations	561,194	561,194
Transitional living operations	1,263,901	1,263,901
Restricted to program operations	376,290	409,470
Accumulated endowment earnings, subject to appropriation for expenditure	<u>2,632,229</u>	<u>3,587,200</u>
Total endowments	<u>4,833,614</u>	<u>5,821,765</u>
	<u><u>\$5,647,387</u></u>	<u><u>\$6,177,347</u></u>

Net assets were released from donor restrictions during 2022 by the passage of time or incurring expenses that satisfy the specified restrictions placed by donors as follows:

Board authorized distributions of appropriated earnings	\$ 231,018
Purpose restrictions accomplished:	
Programs	<u>492,868</u>
	<u><u>\$ 723,886</u></u>

11. Leases

At December 31, 2022, JBWS was obligated under an operating lease for office space which expires in 2028.

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised. JBWS’s leases do not include termination options for either party to the lease, guaranteed residual values or restrictive financial or other covenants. The operating lease provides for increases in future minimum annual rental payments.

Total lease costs under FASB, ASC 842 for the year ended December 31, 2022 amounted to \$29,521.

The future minimum lease liabilities under the noncancellable operating lease as of December 31, 2022 are as follows:

Year Ended December 31,	
2023	\$ 27,523
2024	29,241
2025	29,963
2026	30,685
2027	31,407
Thereafter	15,884
Total undiscounted cash flows	164,703
Less: present value discount	(6,904)
Total lease liabilities	<u>\$ 157,799</u>

Other information related to JBWS’s operating leases as of and for the year ended December 31, 2022 are as follows:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 25,804
ROU assets obtained in exchange for new operating lease liabilities	\$ 180,994
Weighted-average remaining lease term in years for operating leases	5.50
Weighted-average discount rate for operating leases	1.55%

The aggregate minimum undiscounted lease payments under this operating lease as of December 31, 2021, were as follows:

Year Ended December 31,	
2022	\$ 25,804
2023	13,083
	<u>\$ 38,887</u>

The total lease costs under FASB ASC, 840 (preadoption of the new standards) for the year ended December 31, 2021 amounted to \$25,443.

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

12. Pension Plan

JBWS has a contributory defined contribution pension plan. Employees are eligible for this plan on the January 1st or July 1st following two years of service. The amount contributed is three percent of the participants’ salary during the year. Total contributions to the plan were \$48,710 and \$41,544 for the years ended December 31, 2022 and 2021, respectively.

13. Concentrations

Most of JBWS’s funding comes from the Federal Government, the State of New Jersey and the County of Morris, New Jersey. This funding represented the following percentage of total support and revenue for the years ended December 31, 2022 and 2021. Accordingly, there is no guarantee that such funding will continue. In addition, net asset balances are dependent upon approval of disbursed monies by the granting agency.

	<u>2022</u>	<u>2021</u>
Federal	19.6%	23.5%
State of New Jersey	33.4%	20.0%
Morris County, New Jersey	2.2%	1.4%

This funding also represented the following percentage of total accounts receivable for the following years:

	<u>2022</u>	<u>2021</u>
Federal	55.9%	77.1%
State of New Jersey	20.1%	1.3%
Morris County, New Jersey	24.0%	20.0%

Major contributors to JBWS, including public, corporate, and individual donors, are located primarily in northern New Jersey.

14. Grant Programs

JBWS participates in federal and state assisted grant programs. These programs are subject to compliance audits by the grantors and their representatives. JBWS is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management of JBWS is not aware of any material items of noncompliance which would result in the disallowance of grant program expenditures.

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Expenditures of Federal Awards
December 31, 2022

Federal Grantor/Pass-Through Grantor/Program/Cluster Title	Assistance Listing #	Pass-Through Entity ID#	Grant/Project Number	Grant Period	Award Amount	Cumulative Program Disbursements	Current Year		Provided to Subrecipients
							Program Disbursements	Cash Received	
<u>U.S. Department of Justice</u>									
<u>Passed Through New Jersey Department of Law and Public Safety - Office of Victim Witness Advocacy</u>									
Stop Violence Against Women	16.588	N/A	VAWA-20-20	5/1/21-1/14/2022	\$ 53,333	\$ 53,333	\$ 69	\$ 69	
Stop Violence Against Women	16.588	N/A	VAWA-20-21	5/1/22-4/30/2023	53,333	48,583	48,583	23,749	
Stop Violence Against Women	16.588	N/A	VAWA-61-21	7/1/2022-6/30/2023	45,000	24,964	24,964		
					<u>151,666</u>	<u>126,880</u>	<u>73,616</u>	<u>23,818</u>	
<u>U.S. Department of Justice</u>									
<u>Passed Through New Jersey Department of Law and Public Safety - Office of Justice Programs</u>									
Crime Victims Assistance	16.575	N/A	NJ VAG28-19	9/1/2022-8/31/2023	134,073	43,136	43,136	13,683	
Crime Victims Assistance	16.575	N/A	NJ VAG29-19	9/1/2022-8/31/2023	137,500	51,199	51,199	10,584	
Crime Victims Assistance	16.575	N/A	NJ VAG30-19	9/1/2022-8/31/2023	128,966	48,929	48,929		
					<u>400,539</u>	<u>143,264</u>	<u>143,264</u>	<u>24,267</u>	
<u>U.S. Department of Justice</u>									
<u>Office on Violence Against Women</u>									
Transitional Housing Program	16.736	N/A	15JOVW-21-GG-02078-TRAN	10/1/2021-9/30/2024	449,728	172,686	141,667	137,608	\$ 15,483
<u>Attorney General - Division of Administration</u>									
COVID Emergency Housing Victim Assistance (CHA VOCA)	16.575	N/A	VCH-13-19	4/24/2020-4/23/2022	500,000	500,000	94,716	126,811	
					<u>500,000</u>	<u>500,000</u>	<u>94,716</u>	<u>126,811</u>	
Total U.S. Department of Justice					<u>1,501,933</u>	<u>942,829</u>	<u>453,262</u>	<u>312,504</u>	<u>15,483</u>
<u>U.S. Department of Health and Human Services</u>									
<u>Passed Through New Jersey Department of Children and Families</u>									
Counseling	93.671	N/A	21BKPW	1/1/2021-06/30/2022	207,697	207,697	41,213	41,213	
Counseling	93.671	N/A	23PXPW, 23PWPW, 23QCPW	7/1/2022-06/30/2023	309,570	147,649	147,649	298,137	
Total U.S. Department of Health and Human Services					<u>517,267</u>	<u>355,346</u>	<u>188,862</u>	<u>339,350</u>	
<u>U.S. Department of Housing and Urban Development</u>									
Continuum of Care (RRH)	14.267	N/A	NJ0581D2-F091901	11/1/2021-10/31/2022	176,286	176,286	143,766	176,286	
Continuum of Care (TLP)	14.267	N/A	NJ0118L2-F091912	11/1/2021-10/31/2022	156,321	156,321	131,650	156,321	
Continuum of Care (RRH)	14.267	N/A	NJ0581D2F092103	11/1/2022-10/31/2023	162,318	45,316	45,316		
					<u>494,925</u>	<u>377,923</u>	<u>320,732</u>	<u>332,607</u>	

See Accompanying Notes to Schedules of Federal and State Awards

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Expenditures of Federal Awards
December 31, 2022
(Continued)

Federal Grantor/Pass-Through Grantor/Program/Cluster Title	Assistance Listing #	Pass-Through Entity ID#	Grant/Project Number	Grant Period	Award Amount	Cumulative Program Disbursements	Current Year		
							Program Disbursements	Cash Received	Provided to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>									
<u>Passed Through Morris County Division of Community</u>									
<u>Development</u>									
Nights of Shelter	14.231	N/A	E-21-UC-34-0019	7/1/2021-6/30/2022	16,995	16,995		16,995	
Emergency Services	14.231	N/A	PY2022	7/1/2022-6/30/2023	18,534	18,534	18,534		
					<u>35,529</u>	<u>35,529</u>	<u>18,534</u>	<u>16,995</u>	
<u>U.S. Department of Housing and Urban Development</u>									
<u>Passed Through Morris County Division of Community</u>									
<u>Development</u>									
CDBG- Entitlement Grants Cluster									
Children's Counseling	14.218	N/A	05/21-1517	7/1/2021-6/30/2022	20,000	20,000		20,000	
Children's Counseling	14.218	N/A	CDBG PY2022	7/1/2022-6/30/2023	19,020	19,020	19,020		
					<u>39,020</u>	<u>39,020</u>	<u>19,020</u>	<u>20,000</u>	
Total U.S. Department of Housing and Urban Development					<u>569,473</u>	<u>452,472</u>	<u>358,286</u>	<u>369,602</u>	
Total Federal Awards					<u>\$ 2,588,673</u>	<u>\$ 1,750,647</u>	<u>\$ 1,000,410</u>	<u>\$ 1,021,456</u>	<u>\$ 15,483</u>

See Accompanying Notes to Schedules of Federal and State Awards

**Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Expenditures of State Awards
December 31, 2022**

State Grantor/ Pass-Through Grantor/Program Title	Grantor's Number	State Account Number	Grant Period	Award Amount	Cumulative Program Disbursements	Current Year	
						Program Disbursements	Cash Received
<u>NJ Department of Children and Families</u>							
<u>Division of Child Protection and Permanency</u>							
Shelter and counseling	21BKPW	N/A	1/1/2021-06/30/2022	\$ 1,700,159	\$ 1,700,159	\$ 674,500	\$ 564,617
Trauma treatment & supportive service	21ORPN	N/A	1/1/2021-06/30/2022	449,103	449,109	149,700	124,750
Children’s Trauma Grant	23ORPN	N/A	7/1/2022-06/30/2023	299,406	127,175	127,175	174,650
Housing, counseling and other services	23BKPW, 23PVPW, 23QBPW	N/A	7/1/2022-06/30/2023	1,124,281	567,460	567,460	590,537
Total NJ Department of Children and Families				3,572,949	2,843,903	1,518,835	1,454,554
<u>United Way of Northern NJ</u>							
Emergency Food & Shelter Program	2021-2023	N/A	1/1/2022-12/31/2022	91,800	91,800	91,800	91,800
<u>State of New Jersey Passed Through</u>							
<u>Morris County Department of Human Services</u>							
ACT Teen program counseling	JJ-2107	N/A	1/1/2022-12/31/2022	5,035	4,911	4,911	
				5,035	4,911	4,911	
<u>NJ Department of Community Affairs</u>							
Shelter Support Programs							
Capital Improvements	2022-02149-0307-01	N/A	4/1/2022-7/31/2023	130,701	94,477	94,477	40,230
				130,701	94,477	94,477	40,230
Total State of New Jersey Awards				\$ 3,800,485	\$ 3,035,091	\$ 1,710,023	\$ 1,586,584

See Accompanying Notes to Schedules of Federal and State Awards

Jersey Battered Women’s Service, Inc.

d/b/a JBWS

Notes to Schedules of Expenditures of Federal and State Awards

December 31, 2022

1. Basis of Presentation

The accompanying schedules of expenditures of federal and state awards present the activity of all federal and state financial assistance programs of Jersey Battered Women’s Service, Inc. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey State Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included in the schedules of expenditures of federal and state awards. Because the schedules present only a selected portion of the operations of JBWS, it’s not intended to and does not present the financial position, changes in net assets, or cash flows of JBWS.

2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal and state awards is presented using the accrual basis of accounting which is described in Note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Indirect Cost Rate

JBWS has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Sub-recipients

Of the federal expenditures presented in the schedule of expenditures of federal awards, JBWS provided federal awards of \$15,483 to sub-recipients.

5. Relationship to Federal and State Financial Reports

The regulations and guidelines governing the preparation of federal and state financial reports vary by Federal and State agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal and state financial reports do not necessarily agree with the amounts reported in the accompanying schedules of expenditures of federal and state awards, which is prepared on the accrual basis explained in Note 1.

6. Single Audit – Type A/Type B Program Threshold

Dollar threshold used to distinguish between Type A and Type B programs is \$750,000. Single audit requirement is \$750,000.

Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jersey Battered Women's Service, Inc., d/b/a JBWS, ("JBWS") (a nonprofit organization) which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise JBWS's basic financial statements, and have issued our report thereon dated April 11, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JBWS's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JBWS's internal control. Accordingly, we do not express an opinion on the effectiveness of JBWS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
dba JBWS

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JBWS's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JBWS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nisivocia LLP

Mt. Arlington, New Jersey
April 11, 2023

Independent Auditors' Report on Compliance for each Major
Federal and State Program and Report on Internal Control Over Compliance
in Accordance with the Uniform Guidance and New Jersey State Circular 15-08-OMB

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Jersey Battered Women's Service, Inc., d/b/a JBWS, ("JBWS") (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and New Jersey State Circular 15-08-OMB, *Single Audit Policy for Recipient for Federal Grants, State Grants, and State Aid*, that could have a direct and material effect on each of JBWS's major federal and state programs for the year ended December 31, 2022. JBWS's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jersey Battered Women's Service, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey State Circular 15-08-OMB, *Single Audit Policy for Recipient for Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards and the Uniform Guidance and New Jersey State Circular 15-08-OMB are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JBWS and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of JBWS's compliance with the compliance requirements referred to above.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to JBWS's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JBWS's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey State Circular 15-08-OMB will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JBWS's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey State Circular 15-08-OMB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 JBWS's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JBWS's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey State Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of JBWS's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis.

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey State Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Nisiroccia LLP

Mt. Arlington, New Jersey
April 11, 2023

**Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Findings and Questioned Costs
Year Ended December 31, 2022**

I. Summary of Auditor's Results

Financial statements

The auditors' report issued on the financial statements of Jersey Battered Women's Service, Inc., d/b/a JBWS was an unmodified opinion.

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X No

Internal control over major programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified? _____ Yes X None reported

The auditors' report issued on compliance for major programs was an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the

Uniform Guidance and New Jersey State Circular 15-08-OMB _____ Yes X No

The following federal programs were designated as major programs:

<u>Federal Agency/Pass-through</u> <u>Pass-through Entity</u>	<u>Assistance Listing Number</u>	<u>Expenditures</u>
U.S. Department of Justice:		
Passed through New Jersey Department of Law and Public Safety:		
Crime Victims Assistance/CHA VOCA	16.575	\$ 237,980

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Findings and Questioned Costs
Year Ended December 31, 2022
(Continued)

The following state programs were designated as major programs:

<u>State Agency</u>	<u>State Contract Number</u>	<u>Expenditures</u>
New Jersey Department of Children and Families: Shelter and counseling	21BKPW	\$ 674,500
Dollar threshold used to distinguish between Type A and Type B programs	<u>\$ 750,000</u>	
Auditee qualified as a low-risk auditee?	<u> X </u> Yes	<u> </u> No

II. Financial Statement Findings

No matters were reported.

III. Federal and State Award Findings and Questioned Costs

No matters were reported.

Jersey Battered Women's Service, Inc.
d/b/a JBWS
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2022

Status of Prior Year Findings:

There were no audit findings in the prior year.

Auditors' Certification on Schedule of Receipts and Disbursements of IOLTA Funding

To the Board of Directors of
Jersey Battered Women's Service, Inc.
d/b/a JBWS

We are Certified Public Accountants and serve as the auditors for Jersey Battered Women's Service, Inc.

We have reviewed the IOLTA Discretionary Grant Audit Requirements. Jersey Battered Women's Service, Inc. financial statements comply with U.S. generally accepted accounting principles, and the audit complies with the IOLTA Fund's audit requirements.

We noted no questioned costs regarding IOLTA disbursements. No equipment was purchased with IOLTA funds. There were no auditors' adjustments to the final expenditure reports submitted to IOLTA.

Nisivoccia LLP

Mt. Arlington, New Jersey
April 11, 2023

Jersey Battered Women’s Service, Inc.
d/b/a JBWS
Schedule of Receipts and Disbursements of IOLTA Funding
Year Ended December 31, 2022

	(Unaudited) Budget	Receipts and Disbursements
	<u> </u>	<u> </u>
Receipts:		
IOLTA Funding	\$ 12,000	\$ 12,000
Disbursements:		
Total salaries	10,897	10,897
Total fringe benefits	1,103	1,103
	<u>12,000</u>	<u>12,000</u>
Balance at December 31, 2022	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Independent Auditors’ Report on Supplementary Information