

**NUTLEY FAMILY
SERVICE BUREAU, INC.**

Financial Statements

December 31, 2024 and 2023

NUTLEY FAMILY SERVICE BUREAU, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Nutley Family Service Bureau, Inc.
Nutley, New Jersey

Opinion

We have audited the accompanying financial statements of Nutley Family Service Bureau, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nutley Family Service Bureau, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Nutley Family Service Bureau, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Nutley Family Service Bureau, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

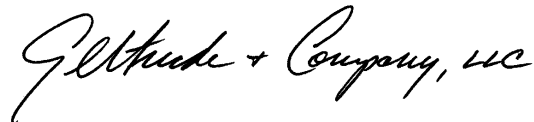
Auditors' Responsibilities for the Audit of the Financial Statements

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Nutley Family Service Bureau, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Nutley Family Service Bureau, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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

GELTRUDE & COMPANY, LLC

Nutley, New Jersey
October 31, 2025

NUTLEY FAMILY SERVICE BUREAU, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 87,760	\$ 87,294
Insurance and patient receivables, net	67,715	38,117
Prepaid expenses and other current assets	16,069	14,588
Total Current Assets	171,544	139,999
PROPERTY AND EQUIPMENT		
Building	379,273	223,239
Computer hardware and software	45,007	45,007
Furnitures and fixtures	42,074	42,074
Leasehold improvements	700,470	700,470
Land	100,255	100,255
	1,267,079	1,111,045
Less: accumulated depreciation	(337,392)	(301,519)
Total Property and Equipment, net	929,687	809,526
TOTAL ASSETS	\$ 1,101,231	\$ 949,525
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Note payable - bank	\$ 66,323	\$ 9,955
Accounts payable	60,112	25,142
Accrued expenses	57,491	62,576
Total Current Liabilities	183,926	97,673
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Without donor restrictions	892,305	842,240
With donor restrictions	25,000	9,612
Total Net Assets	917,305	851,852
TOTAL LIABILITIES AND NET ASSETS	\$ 1,101,231	\$ 949,525

See Accompanying Notes to Financial Statements

NUTLEY FAMILY SERVICE BUREAU, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Patient service fees	\$ 976,242	\$ -	\$ 976,242	\$ 961,456	\$ -	\$ 961,456
Thrift shop sales - donated goods	485,447	-	485,447	400,517	-	400,517
Grants	386,501	25,000	411,501	234,087	9,612	243,699
Other contributions	159,966	-	159,966	118,628	-	118,628
Special events	184,576	-	184,576	95,227	-	95,227
Investment income (loss)	2,376	-	2,376	4,011	-	4,011
Total Revenue and Support	2,195,108	25,000	2,220,108	1,813,926	9,612	1,823,538
NET ASSETS RELEASED FROM RESTRICTIONS:						
Satisfaction of program restrictions	9,612	(9,612)	-	15,000	(15,000)	-
	2,204,720	15,388	2,220,108	1,828,926	(5,388)	1,823,538
EXPENSES						
Program services	1,637,965	-	1,637,965	1,376,146	-	1,376,146
Supporting services:						
Management and general	389,051	-	389,051	529,135	-	529,135
Fundraising	127,639	-	127,639	120,048	-	120,048
Total Expenses	2,154,655	-	2,154,655	2,025,329	-	2,025,329
CHANGE IN NET ASSETS	50,065	15,388	65,453	(196,403)	(5,388)	(201,791)
NET ASSETS, BEGINNING OF YEAR	842,240	9,612	851,852	1,038,643	15,000	1,053,643
NET ASSETS, END OF YEAR	\$ 892,305	\$ 25,000	\$ 917,305	\$ 842,240	\$ 9,612	\$ 851,852

See Accompanying Notes to Financial Statements

NUTLEY FAMILY SERVICE BUREAU, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	Supporting Services				Supporting Services			
	Program	Management	Fund-	Total	Program	Management	Fund-	Total
	Services	and	raising		Services	and	raising	
		General				General		
Salaries	\$1,056,317	\$ 167,465	\$ 64,410	\$1,288,192	\$ 944,011	\$ 208,418	\$ 73,559	\$1,225,988
Payroll taxes	94,611	14,999	5,769	115,379	84,198	18,589	6,561	109,348
Benefits	11,602	1,839	707	14,148	13,121	2,897	1,022	17,040
Computer expense	74,290	31,839	-	106,129	60,635	25,986	-	86,621
Bad debt (recoveries) expense	(18,070)	-	-	(18,070)	43,329	-	-	43,329
Insurance	23,848	2,650	-	26,498	30,936	3,437	-	34,373
Supplies and office expense	79,733	8,859	-	88,592	76,364	7,458	-	83,822
Building maintenance	24,479	2,720	-	27,199	24,060	2,673	-	26,733
Depreciation	32,286	3,587	-	35,873	34,787	3,865	-	38,652
Professional fees	175,198	141,893	-	317,091	-	245,002	-	245,002
Utilities	14,431	1,604	-	16,035	15,093	1,677	-	16,770
Advertising	28,597	9,532	-	38,129	21,954	7,318	-	29,272
Travel and meals	12,599	-	-	12,599	8,294	-	-	8,294
Bank fees	15,032	-	-	15,032	13,266	-	-	13,266
Postage	-	1,248	2,913	4,161	-	1,035	2,414	3,449
Fundraising	-	-	53,840	53,840	-	-	36,492	36,492
Conferences and conventions	13,012	-	-	13,012	6,098	-	-	6,098
Interest expense	-	816	-	816	-	780	-	780
Total Expenses	<u>\$1,637,965</u>	<u>\$ 389,051</u>	<u>\$ 127,639</u>	<u>\$2,154,655</u>	<u>\$1,376,146</u>	<u>\$ 529,135</u>	<u>\$120,048</u>	<u>\$2,025,329</u>

See Accompanying Notes to Financial Statements

NUTLEY FAMILY SERVICE BUREAU, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 65,453	\$ (201,791)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized gains on marketable securities	-	(642)
Depreciation	35,873	38,652
Bad debt (recoveries) expense	(18,070)	43,329
Changes in operating assets and liabilities:		
Insurance and patient receivables	(11,528)	(14,856)
Prepaid expenses and other current assets	(1,481)	1,340
Accounts payable	34,970	(10,476)
Accrued expenses	(5,085)	16,513
Net Cash Provided by (Used in) Operating Activities	100,132	(127,931)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(156,034)	(96,620)
Purchases of marketable securities	-	(987)
Sales of marketable securities	-	56,890
Net Cash Used in Investing Activities	(156,034)	(40,717)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings from note payable - bank	56,368	9,955
Net Cash Provided by Financing Activities	56,368	9,955
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	466	(158,693)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	87,294	245,987
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 87,760	\$ 87,294
SUPPLEMENTAL DISCLOSURE OF CASH FLOW DATA		
Interest paid	\$ 816	\$ 780

See Accompanying Notes to Financial Statements

NUTLEY FAMILY SERVICE BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

1. ORGANIZATION AND NATURE OF ACTIVITIES

Nutley Family Service Bureau, Inc. (the “Organization”) was incorporated in the State of New Jersey as a not-for-profit organization in 1913 and provides mental health counseling, social service programs and community outreach initiatives to individuals and families in Northern New Jersey. In addition, the Organization operates a food pantry for the distribution of food donations to individuals and families in need, and a thrift shop for the sale of clothing and household items that have been donated to the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Basis of Presentation – In accordance with GAAP, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Assets accumulated and resources received and expended by the Organization are either without donor restrictions or restricted by the donor for a particular purpose. Net assets with donor restrictions represent contributions to the Organization whose use is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled by expending the funds for their restricted purpose. The designation of net assets for specific purposes by the Organization itself does not constitute a basis for reclassifying them as net assets with donor restriction. Some of the Organization’s assets are subject to donor-imposed restrictions. Accordingly, net assets are accounted for as net assets with donor restrictions (see Note 5) and net assets without donor restrictions.

Use of Estimates – Preparing the Organization’s financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and 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.

Revenue and Support Recognition – The Organization recognizes revenue from patient service fees when the performance obligations of providing the services are met which generally is at the time of service. Patient insurance information is taken and any co-pays are collected at the time services are provided. The insurance company is then billed, and the balance, based on the Organization’s full billing rate, is recorded as a receivable. For the years ended December 31, 2024 and 2023 the Organization recognized bad debt (recoveries) expense on insurance and patient receivables of \$(18,070) and \$43,329, respectively.

Thrift shop sales of donated goods contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards transfer. Revenue is recognized at the time the goods are sold and the customer takes possession of the merchandise. The amount of revenue recognized is based on the amount of consideration that is received in exchange for the goods sold.

Additional revenues are obtained from various fundraising projects. These revenues are not restricted in their use and are used to offset both programs and support services. Revenues from these sources are recognized at the time the donation is received.

NUTLEY FAMILY SERVICE BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and grants are recognized when cash is received or the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions and grants that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the year in which the contributions and grants are recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated property, marketable securities and other noncash donations are recorded as nonfinancial contributions at their estimated fair value at the date of donation. Food donations are typically estimated by management to have no fair value at the date of donation due to the perishable nature of the goods received. Donations of clothing and household items typically have little or no economic value to the Organization when first received, and therefore, are not recorded as revenue and support in the accompanying statements of activities until the goods are sold and a fair value can be determined.

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

Investments in Marketable Securities – Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the statement of activities as an increase or decrease in net assets without donor restrictions unless the income or loss is restricted by the donor.

Insurance and Patient Receivables – Insurance and patient receivables are stated at the amount management expects to collect from outstanding balances. Reimbursements by the insurance companies are primarily based on what they deem “reasonable and customary.” Management provides for expected credit losses based on historical experience, current economic conditions, supportable forecasts when available, and a review of the current status of insurance and patient receivables. At December 31, 2024 and 2023, there was an allowance for doubtful accounts of \$17,654 and \$35,725 respectively.

Property and Equipment – Property and equipment are recorded at cost less accumulated depreciation, except for donated items which are recorded at their fair value on the date of donation. Depreciation is provided using straight-line and accelerated methods over the estimated useful lives of the assets which range from 3 to 39 years. Expenditures for repairs, maintenance and renewals of minor items are charged to earnings as incurred. Major renewals and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations for the period.

Impairment of Long-Lived Assets – The Organization reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the Organization recognizes an impairment loss. No impairment losses were recognized during the years ended December 31, 2024 and 2023.

NUTLEY FAMILY SERVICE BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses – The costs of providing the programs and support services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated between the programs and support services in reasonable ratios determined by management. The smaller related programs have not been shown separately because none of the programs are individually material in relation to the mental health counseling and social service programs.

Advertising – Advertising costs are expensed as incurred. Advertising expense was \$38,129 and \$15,555 for the years ended December 31, 2024 and 2023, respectively.

Income Tax Status – The Organization has obtained a determination of tax-exempt status from the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

GAAP requires management of the Organization to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in process. Management believes the Organization is no longer subject to income tax examinations for years prior to 2021.

Donated Services – The Organization receives significant donated services from the board of trustees and volunteers to support programs, fundraising, and management and general services. The value of these services is not included in these financial statements as they do not meet the criteria for recognition under not-for-profit accounting standards.

Reclassifications – Certain prior year balances have been reclassified to conform with current year presentation.

3. LIQUIDITY AND AVAILABILITY

The Organization has \$155,475 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$87,760 and accounts receivable of \$67,715. Approximately \$25,000 of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the date of the statement of financial position.

The Organization maintains financial assets on hand to meet normal operating expenses based upon its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary. In addition to these available financial assets, a significant portion of the Organization's annual expenditures will be funded by current year revenue and support.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2024 and 2023 amounted to \$25,000 and \$9,612, respectively, and were restricted for funding certain program operations.

NUTLEY FAMILY SERVICE BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

5. LINE OF CREDIT

The Organization has a \$125,000 line of credit agreement with Spencer Savings Bank that expires on April 6, 2026. Interest is charged on outstanding borrowings at the bank's prime lending rate plus .75% (8.25% at December 31, 2024) and outstanding borrowings are secured by the Organization's land and building. At December 31, 2024 and 2023, there were outstanding borrowings of \$66,323 and \$9,955 respectively.

6. CONTRIBUTED NONFINANCIAL ASSETS

During the years ended December 31, 2024 and 2023, nonfinancial assets contributed to the Organization consisted of food, clothing and household items with no donor-imposed restrictions.

Due to the perishable nature of the food donations received during the years ended December 31, 2024 and 2023, they were found to have no fair market value at the date of donation and distributed out to individuals and families with needs who live in the surrounding communities. Accordingly, no amounts have been included in the accompanying statements of activities for food donations received during the years ended December 31, 2024 and 2023.

Clothing and household items received during the years ended December 31, 2024 and 2023, were found to have little to no economic value to the Organization when first received, and therefore were not recorded as revenue and support in the accompanying statements of activities until sold and a fair market value was determined. Thrift shop sales of donated clothing and household items amounted to \$485,447 and \$400,517 for the years ended December 31, 2024 and 2023, respectively.

7. REAL ESTATE TAXES

The Organization is exempt from paying real estate taxes. This exemption will continue until the Organization either vacates or sells its building.

8. RETIREMENT PLAN

The Organization maintains a simplified employee pension plan (the "Plan"). Both employee and employer contributions are immediately vested. During the years ended December 31, 2024 and 2023, employer contributions to the Plan were \$8,009 and \$9,697, respectively.

9. CONCENTRATION OF CREDIT RISK

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and insurance and patient receivables. The Organization places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. Although the Organization's policy is to extend unsecured credit to its patients, concentration of credit risk with respect to insurance and patient receivables is limited as the balance consists of numerous small accounts having generally short payment terms.

NUTLEY FAMILY SERVICE BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

10. RISKS AND UNCERTAINTIES

The Organization is subject to various risks and uncertainties in the ordinary course of business that could have adverse impacts on its operating results and financial condition. Future operations could be affected by changes in the economy, both domestic and global, or other conditions in the geographical area.

Due to certain concentrations of donors, the Organization relies upon specific grants for support. Obtaining replacement funding, if necessary, would be difficult.

11. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through October 31, 2025 the date which the financial statements were available to be issued. Based upon that evaluation, the Organization has determined that no subsequent events have occurred which would require disclosure in or adjustment to the financial statements.
