

SAINT JOSEPH'S CARPENTER  
SOCIETY AND ITS  
SUBSIDIARIES

CONSOLIDATED FINANCIAL  
STATEMENTS

FOR THE YEAR ENDED  
DECEMBER 31, 2022 and 2021

# SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Saint Joseph's Carpenter Society and its Subsidiaries

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the accompanying consolidated financial statements of **Saint Joseph's Carpenter Society and its Subsidiaries** (a nonprofit organization) which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of **Saint Joseph's Carpenter Society and its Subsidiaries** as of December 31, 2022, 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 audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of **Saint Joseph's Carpenter Society and its Subsidiaries** 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 opinions.

## ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Saint Joseph's Carpenter Society and its Subsidiaries'** ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

## ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists: The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Saint Joseph's Carpenter Society and its Subsidiaries'** 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.

### ***Report on Summarized Comparative Information***

The consolidated financial statements as of December 31, 2021 of **Saint Joseph's Carpenter Society and its Subsidiaries'** were previously audited by Ragone, Lacatena, Fairchild & Beppel, PC who merged with Bowman & Company, LLP as of November 1, 2022, and whose report dated April 5, 2022, expressed an unmodified opinion on those statements. 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 consolidated financial statements from which it has been derived.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, 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* and State of New Jersey Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and the other information such as the consolidated schedule of real estate development activities, consolidated schedule of rental activities, consolidated schedule of Community Building and Engagement, and consolidated schedule of Homeownership Preservation Services are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2023 on our consideration of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bowman & Company LLP".

Bowman & Company, LLP  
Certified Public Accountants

Haddonfield, NJ  
June 5, 2023

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 2,697,452	\$ 2,911,104
Investment in Marketable Securities	914,105	1,333,917
Residential Mortgages Receivable	3,990	8,880
Grant Contracts Receivable	1,268,890	785,774
Other Receivables	48,418	49,902
Prepaid Expenses	23,547	23,024
Construction in Progress	4,420,860	3,740,404
<b>Total Current assets</b>	<b>9,377,262</b>	<b>8,853,005</b>
<b>Restricted Cash Reserves</b>		
Tenant security deposits	50,941	51,253
Cash reserves	464,224	351,430
<b>Total restricted cash reserves</b>	<b>515,165</b>	<b>402,683</b>
<b>Property and Equipment, net</b>	<b>3,867,587</b>	<b>4,016,759</b>
<b>Non-Current Assets</b>		
Construction in Progress, net of current portion	1,199,278	829,482
Residential Mortgages Receivable, net of current portion	86,709	116,390
<b>Total Non-Current Assets</b>	<b>1,285,987</b>	<b>945,872</b>
<b>TOTAL ASSETS</b>	<b>\$ 15,046,001</b>	<b>\$ 14,218,319</b>
<b>LIABILITIES AND NET ASSETS</b>		
	2022	2021
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 702,478	\$ 679,613
Loans and Mortgages Payable	-	12,000
Deferred Income	3,754,038	3,290,366
<b>Total Current Liabilities</b>	<b>4,456,516</b>	<b>3,981,979</b>
<b>Tenant Security Deposits</b>	<b>50,941</b>	<b>51,133</b>
<b>Long-Term Liabilities</b>		
Mortgages Payable, net of current portion	1,561,821	2,163,128
Deferred Income	-	100,000
Accrued Interest	1,058,484	981,375
<b>Total Long-Term Liabilities</b>	<b>2,620,305</b>	<b>3,244,503</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 7,127,762</b>	<b>\$ 7,277,615</b>
<b>Net Assets</b>		
Without Donor Restrictions	\$ 7,918,239	\$ 6,940,704
With Donor Restrictions	-	-
<b>Total Net Assets</b>	<b>7,918,239</b>	<b>6,940,704</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 15,046,001</b>	<b>\$ 14,218,319</b>

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

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
<b>SUPPORT AND REVENUE</b>				
Contributions and Gifts	\$ 562,363	\$ -	\$ 562,363	\$ 723,026
Government Grants	3,032,170	-	3,032,170	2,092,944
Sale of Homes	845,000	-	845,000	434,500
Rental and Other Income	1,084,619	-	1,084,619	1,031,304
Special Event Revenues	64,258	-	64,258	55,423
Interest Income	1,629	-	1,629	6,488
Net Investment Return	(133,577)	-	(133,577)	(5,123)
<b>TOTAL SUPPORT AND REVENUE</b>	<b>5,456,462</b>	<b>-</b>	<b>5,456,462</b>	<b>4,338,562</b>
<b>EXPENSES:</b>				
Program Services	4,912,502	-	4,912,502	3,834,926
General and Administrative	110,858	-	110,858	117,797
Fundraising	50,874	-	50,874	41,117
<b>Total Expenses</b>	<b>5,074,234</b>	<b>-</b>	<b>5,074,234</b>	<b>3,993,840</b>
Change in Net Assets	382,228	-	382,228	344,722
Assignment of Loans from NJDCA	595,307	-	595,307	-
Net Assets, Beginning of Year	6,940,704	-	6,940,704	6,595,982
Net Assets, End of Year	<b>\$ 7,918,239</b>	<b>\$ -</b>	<b>\$ 7,918,239</b>	<b>\$ 6,940,704</b>

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



**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	Program Services	General and Administrative	Fundraising	2022 Total	2021 Total
Advertising and Promotion	2,586	-	-	2,586	4,293
Cost of Homes Sold	1,413,604	-	-	1,413,604	744,424
Cost of Contract Services Provided	1,158,127	-	-	1,158,127	1,004,488
Depreciation and Amortization	250,480	-	-	250,480	245,774
Direct Fundraising Costs	-	-	26,335	26,335	16,855
Educational Programs	720	-	-	720	3,892
Insurance	82,892	-	-	82,892	99,737
Interest Expense	77,109	-	-	77,109	73,886
Maintenance and Repairs	250,753	3,982	-	254,735	186,141
Occupancy	306,937	20,174	1,552	328,663	341,225
Office Expenses	11,194	15,022	1,156	27,372	27,163
Other Expenses	13,298	-	-	13,298	2,857
Pension Expense	34,842	1,938	542	37,322	30,391
Personnel	1,201,354	48,450	21,289	1,271,093	1,139,217
Professional Services	77,806	14,792	-	92,598	52,782
Staff Development	24,238	4,923	-	29,161	13,607
Telecommunications	6,562	1,577	-	8,139	7,108
	<u>\$ 4,912,502</u>	<u>\$ 110,858</u>	<u>\$ 50,874</u>	<u>\$ 5,074,234</u>	<u>\$ 3,993,840</u>

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

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 382,228	\$ 344,722
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and Amortization	250,480	245,774
Loss on Investment	133,577	5,123
Proceeds from Donation of Security	(13,765)	(248,999)
Change in Operating Assets and Liabilities:		
Construction in Progress	(1,050,252)	(1,892,600)
Grants and Other Receivables	(481,632)	(380,312)
Residential Mortgage Receivable	34,571	125,573
Prepaid Expenses	(523)	454
Accounts Payable and Accrued Expenses	22,985	343,840
Accrued Interest	77,109	73,887
Deferred Income	363,672	1,891,152
<b>Net Cash Provided by (Used in) Operating Activities</b>	(281,550)	508,614
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for Purchase of Property and Equipment	(101,308)	(112,805)
Sale of Marketable Securities	300,000	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	198,692	(112,805)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Long-Term Debt	(18,000)	(91,450)
Addition to Cash Reserves	(112,794)	(4,548)
<b>Net Cash (Used in) Financing Activities</b>	(130,794)	(95,998)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(213,652)	299,811
Cash and Cash Equivalents at Beginning of Year	2,911,104	2,611,293
Cash and Cash Equivalents at End of Year	\$ 2,697,452	\$ 2,911,104

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

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 1:**    **GENERAL**

Saint Joseph's Carpenter Society was incorporated under the nonprofit corporation laws of the State of New Jersey and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Saint Joseph's Carpenter Society strives to improve the quality of life of the people of the City of Camden and its surrounding communities by promoting affordable housing and neighborhood development. Through our initiatives, we encourage people to take charge of their lives and become active community members.

Saint Joseph's Carpenter Society was founded in 1985 to help families improve their quality of life and create safe neighborhoods through homeownership. SJCS has fostered homeownership, believing that homeownership leads to a higher quality of life by encouraging stability, fostering personal pride, promoting the development of community ties, allowing families to build wealth, and attracting private capital to under-invested areas. To promote successful homeownership, SJCS performs three interrelated functions: housing development, homeowner education, and community organizing. SJCS's primary work involves targeting abandoned homes for acquisition, rehabilitation, and sale to neighborhood families. This work has been focused in East Camden, however, SJCS now works in other neighborhoods in the City of Camden as well as other municipalities within southern New Jersey.

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

**Basis of Accounting**

The consolidated financial statements of the Society have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Saint Joseph's Carpenter Society, as well as Saint Joseph's Housing Corporation, Carpenter's Square, LLC, SJCS Rehab, LLC, Community Links IV, LLC, West Wynne/Church Street, L.P. ("West Wynne"), and 32<sup>nd</sup> Street Urban Renewal Limited Partnership ("32<sup>nd</sup> Street"), wholly-owned subsidiaries of the Society. All significant intercompany transactions and balances have been eliminated in consolidation.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2:   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial Statement Presentation**

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

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

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended December 31, 2021 from which the summarized information was derived.

**Income Taxes**

The Society qualifies as a tax exempt 501(c)(3) organization under existing provisions of the Internal Revenue Code, and accordingly, no provision has been recorded for Federal or State income taxes. There is no tax provision or benefit for Carpenter's Square, LLC, SJCS Rehab, LLC or Community Links IV, LLC included in these financial statements since these entities are owned 100% by the Society and are considered disregarded entities for tax purposes. There is no tax provision or benefit for West Wynne/Church Street, L.P. and 32<sup>nd</sup> Street Urban Renewal Limited Partnership included in these financial statements since these entities are wholly owned subsidiaries of the Society. Saint Joseph's Housing Corporation was organized as a New Jersey for-profit corporation. It has no income tax liability as of December 31, 2022.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Functional Allocation of Expenses**

General operating costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. The general operating costs have been allocated to programs or general & administrative based on management's estimate of the percentage of personnel time spent on programs vs. general support functions. Direct expenses are charged to their respective programs based on specific identification.

**Fair Value Measurement**

Fair value is the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A three-level disclosure hierarchy has been established to indicate the level of judgment used to estimate fair value measurements:

Basis of Fair Value Measurement:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices for identical assets in markets that are not active, quoted prices for similar assets in active markets, inputs other than quoted market prices, and inputs derived principally from observable market data.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth by level, within the fair value hierarchy, the Society's assets at fair value as of December 31, 2022.

	<u>Assets at Fair Value</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds	-	443,858	-	\$ 443,858
Mutual Funds	436,758			436,758
U.S. Equities	11,255	-	-	11,255
Deposit Funds	22,234	-	-	<u>22,234</u>
<b>Total Portfolio Investments at fair value</b>				<b><u>\$ 914,105</u></b>

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2:**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fair Value Measurement (continued)**

The following table sets forth by level, within the fair value hierarchy, the Society's assets at fair value as of December 31, 2021.

	<u>Assets at Fair Value</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds	-	516,356	-	\$ 516,356
Mutual Funds	507,855	-	-	507,855
Deposit Funds	309,706	-	-	<u>309,706</u>
Total Portfolio Investments at fair value				<u>\$1,333,917</u>

**Property and Equipment**

Property and equipment are stated at cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are: building – 25 and 27.5 years; equipment and fixtures – 5 to 10 years. The Society follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$500.

	<u>2022</u>	<u>2021</u>
Land and Building	\$ 9,091,969	\$ 9,005,454
Equipment and Furniture	344,410	329,617
Vehicles	<u>24,097</u>	<u>24,097</u>
	9,460,476	9,359,168
Accumulated Depreciation	<u>(5,592,889)</u>	<u>(5,342,409)</u>
Net Property and Equipment	\$ <u>3,867,587</u>	<u>4,016,759</u>

**Grants and Other Receivables**

Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to 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. Management considers all receivables as of December 31, 2022 and 2021 to be fully collectible, and accordingly, no allowance for doubtful accounts is provided.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2:    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****

**Revenue and Revenue Recognition**

Contributions – The Society recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a 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 met. Contributions from donors are required to be reported as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. The Society reports donations as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, with donor restricted net assets are reclassified to without donor restricted net assets and reported in the statement of activities as net assets released from restrictions.

Government Grants – The Society recognizes contributions from federal, state, and local contracts and grants as conditional promises to give. The Society must incur certain qualifying expenses (or costs) in compliance with the rules and regulations established by the Office of Management and Budget and federal, state, or local awarding agencies. Government grants are paid on a cost reimbursement or level of service basis by the Organization initiating drawdowns of the grant assets. Any unused assets are forfeited and unallowed costs that have been drawn down are required to be refunded. Amounts received prior to incurring qualifying expenditures are reported as deferred income in the statement of financial position.

Special Event Revenue – The Society records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Grant and other revenues attributable to home building are recognized upon closing of the sale. Direct acquisition and construction costs, as well as indirect costs such as real estate taxes and construction period interest are capitalized as construction in progress. Those costs are charged to earnings when the related revenue is recognized. Marketing, selling and administrative expenses are charged to earnings as incurred.

**Cash Equivalents and Cash Equivalents**

For the purposes of the statement of cash flows, the organization considers all unrestricted investment instruments purchased with original maturities of three months or less to be cash equivalents.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Newly Adopted Accounting Pronouncements -**

Leases - Issued in February 2016, Accounting Standards Update (ASU) No. 2016-02 requires lessees to recognize right-of-use assets and lease liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than 12 months. This new accounting will apply to both types of leases—capital (or finance) leases and operating leases. Previously, GAAP has required only capital leases to be recognized on lessee statements of financial position. However, the Society currently has no leases with terms in excess of 12 months and, therefore, the adoption of this accounting standard has had no impact on its financial statements.

**New Accounting Pronouncements -**

Financial Instruments-Credit Losses Standard - Issued in June 2016, Accounting Standards Update (ASU) No. 2016-13 requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The new guidance affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income. The new guidance also affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The standard will take effect for fiscal years beginning after December 15, 2022, and for interim periods within fiscal years beginning after December 15, 2023. The Society is assessing the potential impact this guidance will have on its financial statements.

**NOTE 3: FINANCING**

<u>Entity</u>	<u>Lender</u>	<u>Rate</u>	<u>Security</u>	<u>Date Due</u>	<u>Current Portion</u>	<u>Long Term Portion</u>
<u>Mortgages Payable:</u>						
32 <sup>nd</sup> Street	NJDCA	1%	32 <sup>nd</sup> Street Prop.	2032	\$ -	\$ 1,061,823
32 <sup>nd</sup> Street	City of Camden	5.05%	32 <sup>nd</sup> Street Prop.	2032	-	499,998
Total Mortgages Payable					<u>\$ -</u>	<u>\$ 1,561,821</u>

Maturities of loans and mortgages payable over the next five years are as follows:

2023	-
2024	-
2025	-
2026	-
2027	-
Thereafter	1,561,821



**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 3: FINANCING (continued)**

32<sup>nd</sup> Street has a mortgage with the New Jersey Department of Community Affairs which is accruing interest at a rate of 1%, compounded annually, beginning in 2002. Accrued interest on this mortgage as of December 31, 2022 and 2021 was \$218,057 and \$205,385, respectively. 32<sup>nd</sup> Street also has a mortgage with the City of Camden which is accruing interest at a rate of 5.05%, compounded annually, beginning in 2002. Accrued interest on this mortgage as of December 31, 2022 and 2021 was \$840,427 and \$775,990, respectively.

During 2022, two loans owed to the New Jersey Division of Community Affairs by West Wynne/Church Street, L.P. were assigned to Saint Joseph's Carpenter Society by the New Jersey Division of Community Affairs. The balance of the loans plus accrued interest total \$595,307, which is reflected as an increase in net assets.

**NOTE 4: RESTRICTED CASH RESERVES**

Restricted cash reserves represent tenant security deposits of \$50,941 and other cash reserves consisting of cash restricted for rental property activities of \$294,457, letter of credit security of \$49,351 and homebuyer deposits of \$120,416.

**NOTE 5: CONCENTRATION OF CREDIT RISK**

**Governmental Grants**

The Society is a nonprofit organization, whose operations are heavily funded by governmental agency grant programs. In accordance with the grant programs, the Society is limited to what it can charge homeowners on sales of homes. The sales prices do not cover the costs of acquiring and rehabbing the homes, therefore the Society relies on grant funds to cover the shortfall. During the construction phase, the grant programs allow for the Society to draw on both construction lines of credit (which are paid back with the sales proceeds of the homes) and from grant funds, as needed. The grant fund draws are recognized as deferred income in the accompanying statement of financial position, and are subsequently recognized as revenue when the homes are sold. A significant reduction in the level of this grant funding, if this were to occur, could have an effect on the Society's programs and activities.

**Cash and Cash Equivalents**

The Society maintains cash accounts at several banks, and at times during the year, the account balances may have exceeded the federally insured limits. At December 31, 2022, the Society's uninsured balances total \$889,338. The Society has not experienced any losses from maintaining these cash accounts.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 6: INVESTMENT IN MARKETABLE SECURITIES**

Investments in marketable securities consist of securities traded on the national stock exchange and are carried on the statement of financial position at marketable value. Interest, dividends and gain and losses, both realized and unrealized, are reflected in the accompanying statement of activities as net investment return. The Society is potentially subject to concentrations of credit risk in its investment portfolio due to the potential for a loss in value of its investments.

**NOTE 7: RETIREMENT PLAN**

The Society has a 401(k) Profit Sharing Plan and Trust covering substantially all employees. Individual employee benefits under the plan are based upon the amount accumulated for each eligible employee from the Society's contributions, subject to annual board of director's discretion, and any voluntary contribution made by the employee. The Society contributed \$35,572 and \$30,253 to the plan in 2022 and 2021, respectively.

**NOTE 8: NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2022 and 2021, there are no net assets with donor restrictions.

**NOTE 9: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

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

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

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 2,697,452	\$ 2,911,104
Investment in Marketable Securities	914,105	1,333,917
Grant Contracts Receivable	1,268,890	785,774
Other Receivables	<u>48,418</u>	<u>49,902</u>
 Total Financial Assets	 <u>\$ 4,928,865</u>	 <u>\$ 5,080,697</u>

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 10: SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 5, 2023, the date the financial statements were available to be issued.

In November 2022, the Organization applied for the Employee Retention Tax Credit (ERTC) in the amount of \$209,041.87. Under this program the IRS offered a refundable payroll tax credit for businesses that continued to pay employees from March 13th, 2020 through September 30th, 2021 while experiencing significant declines in gross receipts due to COVID-19. In March 2023, the Organization received the full amount with an additional amount for interest for total of \$226,160.15. The Organization recognized \$209,041.87 as a government grant in 2022. The additional interest amount of \$17,118.28 will be recognized in 2023.

**NOTE 11: COVID-19 UNCERTAINTY**

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

**NOTE 12: CONTINGENCY**

In April 2020, the Organization received a loan in the amount of \$190,900 from Republic Bank under the Small Business Administration's (SBA) Paycheck Protection Program (PPP). Under this program the SBA will forgive all, or a portion of, the loan if certain employee retention criteria are met and the funds are used for eligible expenses. On January 7, 2021, the Organization received a determination from the SBA that the PPP Loan was forgiven 100%. The Organization had recognized the entire \$190,900 as a government grant in 2020.

In March 2021, the Organization received a 2<sup>nd</sup> PPP loan in the amount of \$218,717. On October 5, 2021, the Organization received a determination from the SBA that the PPP loan was forgiven 100%. The Organization had recognized the entire \$218,717 as a government grant in 2021.

The SBA retains the right to audit the Organization for six years to substantiate that all forgiveness criteria has been met. Management believes the Organization has fulfilled all loan criteria and spending requirements to sustain 100% loan forgiveness.

INDEPENDENT AUDITOR'S 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  
Saint Joseph's Carpenter Society and its Subsidiaries

We have audited, in accordance with the 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 consolidated financial statements of **Saint Joseph's Carpenter Society and its Subsidiaries** (a nonprofit organization) which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2023.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered **Saint Joseph's Carpenter Society and its Subsidiaries'** internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Saint Joseph's Carpenter Society and its Subsidiaries'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 consolidated 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 may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **Saint Joseph's Carpenter Society and its Subsidiaries'** consolidated financial statements are free from 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 consolidated 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 results 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 the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

Bowman & Company, LLP  
Certified Public Accountants



Haddonfield, NJ  
June 5, 2023

INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND  
STATE OF NEW JERSEY CIRCULAR 15-08 OMB

To the Board of Directors of  
Saint Joseph's Carpenter Society and its Subsidiaries

**Report on Compliance for Each Major Federal and State Program**

**Opinion on Each Major Federal and State Program**

We have audited **Saint Joseph's Carpenter Society and its Subsidiaries'** compliance with the types of compliance requirements described in the *OMB Compliance Supplement and 15-08 OMB New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of **Saint Joseph's Carpenter Society and its Subsidiaries'** major federal and state programs for the year ended December 31, 2022. **Saint Joseph's Carpenter Society and its Subsidiaries'** 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, **Saint Joseph's Carpenter Society and its Subsidiaries'** complied, in all material respects, with the types of 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 *State of New Jersey Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards and the *Uniform Guidance and State of New Jersey Circular 15-08 OMB* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** compliance with the compliance requirements referred to above.

### **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 **Saint Joseph's Carpenter Society and its Subsidiaries'** federal and state programs.

### **Auditor's 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, and *State of New Jersey 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, and *State of New Jersey 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 **Saint Joseph's Carpenter Society and its Subsidiaries'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 *State of New Jersey Circular 15-08 OMB*, but not for the purpose of expressing an opinion on the effectiveness of **Saint Joseph's Carpenter Society and its Subsidiaries'** 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 state program on a timely basis. *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 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 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 *State of New Jersey Circular 15-08 OMB*. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Bowman & Company, LLP  
Certified Public Accountants

Haddonfield, NJ  
June 5, 2023



**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2022**

Section I - Summary of Auditor's Results

Type of auditor's Report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified?     yes   X  no

Were significant deficiency(ies) identified that are not considered to be material weakness?     yes   X  none reported

Noncompliance material to financial statements noted?     yes   X  no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?     yes   X  no

Significant deficiency(ies) that are not considered to be material weakness(es)?     yes   X  none reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?     yes   X  no

Identification of major programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
1. 21.000	U.S. Treasury – NeighborWorks Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?   X  yes     no



**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**For the Year Ended December 31, 2022**

*Section IV – Status of Prior Year Financial Statement Audit Findings*

- NOT APPLICABLE -

*Section V – Status of Prior Year Federal and State Awards Findings and Questioned Costs*

- NOT APPLICABLE -

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Award Identification Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Grant Period</u>	<u>Grant Amount</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Treasury</b>							
Pass-through Neighborhood Reinvestment Corporation dba NeighborWorks America	21.000	N/A	N/A	1/1/2022 - 12/31/2022	324,000	\$ -	\$ 324,000
Pass-through the Housing and Community Development Network of New Jersey							
Housing Help NJ	21.000	N/A	HCDNJ 008	4/1/2021 - 9/30/2022	100,000	-	49,998
Housing Stability Counseling Program	21.000	N/A	HCDNJ 008	11/29/2021 - 2/28/2023	133,662	-	32,535
Subtotal Housing and Community Development Network of New Jersey							82,533
Pass-through the County of Camden							
Covid-19 Community Recovery Grant Program	21.027	N/A	N/A	3/1/2020 - 9/30/2022	155,498	-	155,498
<b>Total U.S. Department of Treasury</b>							<b>562,031</b>
<b>U.S. Department of Housing and Urban Development</b>							
Pass-through the Housing and Community Development Network of New Jersey							
Comprehensive Housing Counseling Program	14.169	N/A	N/A	10/1/2021 - 9/30/2022	45,000	-	44,968
Comprehensive Housing Counseling Program	14.169	N/A	N/A	10/1/2022 - 9/30/2023	36,784	-	17,816
Subtotal Housing and Community Development Network of New Jersey							62,784
Pass-through State of New Jersey Department of Community Affairs							
HUD Lead-Based Paint Hazard Reduction Program	14.900	NJLHB0691-18	2020-100-022-8020-198	10/1/2019 - 3/31/2022	135,861	-	24,770
Pass-through the City of Camden							
HOME Investment Partnership Program	14.239	N/A	N/A	1/1/2022 - 12/31/2022	266,666	-	266,666
<b>Total U.S. Department of Housing and Urban Development</b>							<b>354,220</b>
<b>Total Federal Awards</b>							<b>\$ 916,251</b>

The accompanying Notes to the Schedules of Federal Awards and State Financial Assistance are an integral part of this schedule.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

State Grantor/Department/Program Title/Name	State Grant Award Number	State Account Number	Grant Award Period	Grant Amount	Passed Through to Subrecipients	Current Year's Grant Expenditures	MEMO ONLY Grant Expenditures to Date
<b>State of New Jersey</b>							
<b>Department of Community Affairs</b>							
Neighborhood Revitalization Tax Credit Project 17	2017-02240-0291-02	2017-100-022-8020-168	2/1/2017 - 5/31/2021	585,000	\$ -	\$ 125,000	\$ 585,000
Neighborhood Revitalization Tax Credit Project 20	2020-02240-0268-00	2020-100-022-8020-168	3/1/2020 - 2/28/2022	365,000	-	287,381	365,000
Neighborhood Revitalization Tax Credit Project 21	2021-02240-0237-00	2021-100-022-8020-168	3/1/2021 - 8/31/2023	646,666	-	168,809	280,005
Neighborhood Revitalization Tax Credit Project 22	2022-02240-0269-00	2022-100-022-8020-168	3/1/2022 - 7/31/2023	985,000	-	203,317	203,317
<b>Subtotal Neighborhood Revitalization Tax Credit Project</b>						<b>764,507</b>	<b>1,433,322</b>
Lead-Safe Home Remediation and Single-Family Home Remediation 2021	2021-02332-0252-02	2021-100-022-8020-213	3/1/2021 - 2/28/2023	1,197,500	-	460,384	585,763
Lead-Safe Home Remediation and Single-Family Home Remediation 2021	2021-02332-0253-05	2021-100-022-8020-193	3/1/2021 - 1/31/2023	309,160	-	257,094	309,160
<b>Subtotal Lead-Safe Home Remediation Pilot Program</b>						<b>717,478</b>	<b>894,923</b>
<b>Pass-through the Cooper Health System</b>							
Neighborhood Revitalization Tax Credit Project - MyHOME	2020-02240-0270-00	N/A	3/1/2020 - 8/31/2022	38,000	-	10,975	38,000
Neighborhood Revitalization Tax Credit Project - Cramer Hill Neighborhood Plan	2022-02240-0247-00	N/A	3/1/2022 - 7/31/2023	130,000	-	19,500	19,500
Neighborhood Revitalization Tax Credit Project - Cramer Hill Waterfront Park Plan	N/A	N/A	9/1/2020 - 8/31/2022	45,000	-	45,000	45,000
<b>Subtotal Supplemental Security Income Program</b>						<b>75,475</b>	<b>102,500</b>
<b>Total State of New Jersey Department of Community Affairs</b>						<b>1,557,460</b>	<b>2,430,745</b>
<b>State of New Jersey Economic Development Authority</b>							
Pass-through the Cooper's Ferry Development Association	N/A	N/A	1/1/2022 - 12/31/2022	43,358	-	43,358	43,358
Boyd & Morse Infrastructure Project							
<b>Total State Awards</b>						<b>\$ 1,600,818</b>	<b>\$ 2,474,103</b>

The accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL**  
**AWARDS AND STATE FINANCIAL ASSISTANCE**  
**For the Year Ended December 31, 2022**

**NOTE 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of **SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES** and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the 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 State of New Jersey Circular 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance State of New Jersey Circular 15-08 OMB, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES** has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED SCHEDULE OF REAL ESTATE DEVELOPMENT ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**REVENUE**

Government Grants – NRTC	\$ 363,746
Government Grants – CFDA	43,358
Government Grants – HOME	266,666
Sales of Homes	<u>845,000</u>

**Total Revenue** \$ 1,518,770

**EXPENSES**

Costs of Homes Sold	<u>1,413,604</u>
---------------------	------------------

**Total Expenses** 1,413,604

**Net Income** \$ 105,166

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED SCHEDULE RENTAL ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>SJCS</u> <u>Rental</u>	<u>SJHC</u>	<u>WW/CHST</u>	<u>32nd St</u>	<u>Total</u>
<b>REVENUE</b>					
Rental Income	57,288	97,774	168,156	399,166	722,384
Less: Vacancies	<u>(-)</u>	<u>(-)</u>	<u>(-)</u>	<u>(1,647)</u>	<u>(1,647)</u>
<b>Net Rental Income</b>	57,288	97,774	168,156	397,519	720,737
<b>OTHER INCOME</b>	-	600	60	100	760
<b>Total Revenue</b>	\$ 57,288	\$ 98,374	\$ 168,216	\$ 397,619	\$ 721,497
<b>EXPENSES</b>					
Property & Liability Insurance	5,020	4,905	11,279	30,704	51,908
Maintenance & Repairs	9,197	19,230	67,711	154,615	250,753
Janitorial	-	3,111	4,128	-	7,239
Security & Inspection	732	3,364	5,210	10,337	19,643
Utility	6,236	15,520	25,572	74,208	121,536
Real Estate Taxes	12,837	10,094	24,769	59,685	107,385
Office Expenses	19	58	11	4,301	4,389
Salaries	4,621	9,241	15,402	57,436	86,700
Payroll Tax	478	957	1,595	3,906	6,936
EE Benefits	392	784	1,307	3,203	5,686
Professional Services	-	227	7,473	7,862	15,562
Staff Development	-	-	-	4,547	4,547
Telecommunication	-	-	-	253	253
Management Fee	2,952	5,904	9,840	24,108	42,804
Bad Debt	-	-	5,652	5,470	11,122
<b>Total Expenses</b>	\$ 42,484	\$ 73,395	\$ 179,949	\$ 440,635	\$ 736,463
<b>INCOME FROM OPERATIONS BEFORE INTEREST, FEES AND RESERVES DEPRECIATION AND AMORTIZATION</b>	14,804	24,979	(11,733)	(43,016)	(14,966)
<b>INTEREST, FEES AND RESERVES</b>					
Interest Expense	-	-	120,705	98,109	218,814
Partnership Management Fee	-	-	5,000	-	5,000
Interest Income	<u>-</u>	<u>-</u>	<u>(113)</u>	<u>(182)</u>	<u>(295)</u>
<b>Total Interest, Fees and Reserves</b>	-	-	125,592	97,927	223,519
<b>INCOME/(LOSS) BEFORE DEPRECIATION AND AMORTIZATION</b>	14,804	24,979	(137,325)	(140,943)	(238,485)
Depreciation and Amortization	<u>14,086</u>	<u>13,768</u>	<u>15,844</u>	<u>174,937</u>	<u>218,635</u>
<b>NET INCOME/(LOSS)</b>	\$ <u>718</u>	\$ <u>11,211</u>	\$ <u>(153,169)</u>	\$ <u>(315,880)</u>	\$ <u>(457,120)</u>



**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED SCHEDULE OF COMMUNITY BUILDING & ENGAGEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**REVENUE**

Wells Fargo Regional Foundation	\$ 50,000
Holman Automotive Group	100,000
CCD	151,250
NRTC-Cooper	45,000
NRTC-Leading with Lead	9,718
NRTC	245,692
NWA	112,000
NRTC-City Invincible	<u>8,635</u>

**Total Revenue** \$ 722,295

**EXPENSES**

\$ 261,334

**Net Income** \$ 460,961

**SAINT JOSEPH'S CARPENTER SOCIETY AND ITS SUBSIDIARIES**  
**CONSOLIDATED SCHEDULE OF HOMEOWNERSHIP PRESERVATION SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**REVENUE**

FHLB NY – MyHOME	\$ 168,184
NRTC – East Camden MyHOME	146,434
NRTC – Cooper Plaza MyHOME	10,975
NRTC – Cramer Hill MyHOME	19,500
W.W. Smith – MyHOME	20,000
Lead Safe	<u>742,247</u>

**Total Revenue** \$ 1,107,340

**EXPENSES**

Costs of Contract	<u>727,388</u>
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**Net Income** \$ 379,952