FAMILYKIND LTD.

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' REPORT

DECEMBER 31, 2023 AND 2022

Skody Scot & Company, CPAs, P.C.

FAMILYKIND LTD.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To: The Board of Directors of
FamilyKind Ltd.

We have reviewed the accompanying statements of financial position of FamilyKind Ltd., a not-for-profit organization, as of December 31, 2023 and 2022, and the related statements of activities, expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Managements' Responsibility 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; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility
Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of FamilyKind Ltd. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion
Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Skody Scot & Company, CPAs, PC

New York, NY
October 28, 2024

FAMILYKIND LTD.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash	$ 211,052	$ 281,109
Investment	50,763	-
Program service revenue receivables	1,675	9,844
Intangible asset, net	3,437	5,729
Security deposits	1,744	1,344
Total assets	$ 268,671	$ 298,026
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 11,053	$ 347
Deferred revenue	71,526	79,619
Total liabilities	82,579	79,966
Net Assets:		
Without donor restrictions	154,940	198,198
With donor restrictions	31,152	19,862
Total net assets	186,092	218,060
Total liabilities and net assets	$ 268,671	$ 298,026

See independent accountants' review report and accompanying notes.

FAMILYKIND LTD.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:						
Special events:						
Event income	$ 199,309	$ -	$ 199,309	$ 193,333	$ -	$ 193,333
Less: related direct costs	(42,131)	-	(42,131)	(46,880)	-	(46,880)
Net special event income	157,178	-	157,178	146,453	-	146,453
Contributions	94,163	20,634	114,797	90,275	15,655	105,930
Contributions - in-kind	34,800	-	34,800	-	-	-
Program service revenue	162,397	-	162,397	169,727	-	169,727
Interest income	1,405	-	1,405	52	-	52
Net assets released from restriction:						
Satisfaction of purpose restrictions	9,344	(9,344)	-	16,381	(16,381)	-
Total support and revenues	459,287	11,290	470,577	422,888	(726)	422,162
Expenses:						
Program expenses:						
Parent coordination	56,625	-	56,625	57,134	-	57,134
Mediation services	63,740	-	63,740	49,788	-	49,788
Parent education	62,043	-	62,043	21,460	-	21,460
Coaching	31,919	-	31,919	27,207	-	27,207
Other programs	123,979	-	123,979	86,877	-	86,877
Total program expenses	338,306	-	338,306	242,466	-	242,466
Supporting services:						
Management and general	101,191	-	101,191	77,701	-	77,701
Fundraising	63,048	-	63,048	50,472	-	50,472
Total expenses	502,545	-	502,545	370,639	-	370,639
Increase/(decrease) in net assets	(43,258)	11,290	(31,968)	52,249	(726)	51,523
Net assets, beginning of year	198,198	19,862	218,060	145,949	20,588	166,537
Net assets, end of year	$ 154,940	$ 31,152	$ 186,092	$ 198,198	$ 19,862	$ 218,060

See independent accountants' review report and accompanying notes.

Skody Scot & Company, CPAs, P.C.

FAMILYKIND LTD.
STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Expenses						Supporting Services		
	Parent Coordination	Mediation Services	Parent Education	Coaching	Other Programs	Total Program	Management and General	Fundraising	Total Expenses
Personnel costs:									
Salaries	$ 24,032	$ 37,700	$ 19,820	$ 24,732	$ 48,046	$ 154,330	$ 9,547	$ 38,801	$ 202,678
Payroll taxes and benefits	2,052	3,220	1,693	2,112	4,096	13,173	815	3,314	17,302
Consultants	30,541	22,586	36,312	5,075	24,179	118,693	15,559	12,085	146,337
Total personnel costs	56,625	63,506	57,825	31,919	76,321	286,196	25,921	54,200	366,317
Direct expenses:									
Amortization	-	-	-	-	-	-	2,292	-	2,292
Bank charges and processing fees	-	-	-	-	7,691	7,691	246	-	7,937
Dues and subscriptions	-	-	200	-	60	260	645	-	905
Information technology	-	100	400	-	9,975	10,475	9,222	3,650	23,347
Insurance	-	-	-	-	1,034	1,034	1,528	171	2,733
Marketing and promotion	-	-	2,500	-	750	3,250	1,307	-	4,557
Office expenses	-	-	250	-	2,537	2,787	6,381	3,503	12,671
Professional fees	-	-	-	-	19,559	19,559	42,291	1,125	62,975
Rent and utilities	-	-	-	-	2,381	2,381	9,426	399	12,206
Telephone and communications	-	-	300	-	2,335	2,635	735	-	3,370
Travel and meetings	-	134	568	-	1,336	2,038	1,197	-	3,235
Total direct expenses	-	234	4,218	-	47,658	52,110	75,270	8,848	136,228
Total expenses	$ 56,625	$ 63,740	$ 62,043	$ 31,919	$ 123,979	$ 338,306	$ 101,191	$ 63,048	$ 502,545

See independent accountants' review report and accompanying notes.

Skody Scot & Company, CPAs, P.C.

FAMILYKIND LTD.
STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Expenses						Supporting Services		
	Parent Coordination	Mediation Services	Parent Education	Coaching	Other Programs	Total Program	Management and General	Fundraising	Total Expenses
Personnel costs:									
Salaries	$ 17,704	$ 28,878	$ 350	$ 18,226	$ 37,239	$ 102,397	$ 3,673	$ 29,879	$ 135,949
Payroll taxes and benefits	-	-	200	-	8,239	8,439	675	2,776	11,890
Consultants	36,168	20,910	19,850	8,000	29,923	114,851	16,024	6,739	137,614
Total personnel costs	53,872	49,788	20,400	26,226	75,401	225,687	20,372	39,394	285,453
Direct expenses:									
Amortization	-	-	-	-	-	-	1,146	-	1,146
Bad debt	3,262	-	125	981	-	4,368	75	-	4,443
Bank charges and processing fees	-	-	-	-	2,586	2,586	4,355	4	6,945
Dues and subscriptions	-	-	-	-	-	-	1,135	-	1,135
Information technology	-	-	250	-	6,550	6,800	9,200	5,170	21,170
Insurance	-	-	-	-	627	627	1,711	127	2,465
Marketing and promotion	-	-	-	-	75	75	1,885	-	1,960
Office expenses	-	-	301	-	608	909	6,277	5,777	12,963
Professional fees	-	-	-	-	-	-	19,680	-	19,680
Rent and utilities	-	-	350	-	-	350	7,630	-	7,980
Telephone and communications	-	-	-	-	35	35	2,905	-	2,940
Travel and meetings	-	-	34	-	995	1,029	1,330	-	2,359
Total direct expenses	3,262	-	1,060	981	11,476	16,779	57,329	11,078	85,186
Total expenses	$ 57,134	$ 49,788	$ 21,460	$ 27,207	$ 86,877	$ 242,466	$ 77,701	$ 50,472	$ 370,639

See independent accountants' review report and accompanying notes.

Skody Scot & Company, CPAs, P.C.

FAMILYKIND LTD.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Increase/(decrease) in net assets	$ (31,968)	$ 51,523
Adjustments for non-cash items included in operating activities:		
Bad debt	-	4,443
Amortization	2,292	1,146
(Increase)/decrease in assets:		
Program service revenue receivables	8,169	(8,118)
Contributions and grants receivable	-	1,560
Security deposits	(400)	-
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	10,706	347
Deferred revenue	(8,093)	44,034
Net cash provided/(used) by operating activities	(19,294)	94,935
Cash flows from investing activities:		
Purchase of investment	(50,763)	-
Purchase of intangible asset	-	(3,875)
Net cash used by investing activities	(50,763)	(3,875)
Cash flows from financing activities	-	-
Net increase/(decrease) in cash	(70,057)	91,060
Cash, beginning of year	281,109	190,049
Cash, end of year	$ 211,052	$ 281,109

See independent accountants' review report and accompanying notes.

Note 1 - Summary of Significant Accounting Policies

The Organization

FamilyKind Ltd. (Organization), a not-for-profit organization, was incorporated in the State of New York on February 24, 2012. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements include any uncertain tax positions. The Organization primarily receives its support from contributions, program service revenue and special event income.

The Organization's mission is to provide education and support services to adults and children experiencing separation or divorce. The Organization seeks to accomplish its mission by providing the following services: Parent Education: providing divorce and separation classes for adults that are designed to help parents understand and meet the challenges they and their children face during this time; this service is offered for individuals, one-on-one, and for couples in a group setting; Parent Coordination: assisting parents in establishing and maintaining healthy co-parenting strategies and communications; Mediation Services: using a child-focused approach, trained mediators help couples navigate the issues of parenting schedules, child support payments, and equitable distribution of assets; pre- and post-nuptial mediation services are available; Coaching: coaching parents and children on how to work through issues relating to the divorce or separation process; and Other Programs: providing informational workshops, webinars for adults, curriculum for children of divorce and separation, and programming for family law professionals.

Basis of Accounting

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Investments

Investment as of December 31, 2023, consists entirely of a certificate of deposit. The certificate of deposit is intended to be held to maturity. The Organization reports the certificate of deposit at cost, which approximates fair value. Investments carried at cost are not required to be classified in one of the levels prescribed by the US GAAP fair value hierarchy.

The policy of the Organization is to sell any donated investments immediately after receipt, and report the sale as contributions in the statements of activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

Receivables

Program service revenue receivables are reported at their net realizable value. The Organization evaluates the collectability of its program service revenue receivables at least annually using a current expected credit loss (CECL) model. Under this model, an allowance for credit losses is recorded for the expected lifetime losses on the receivables. This evaluation is based on historical loss experience, current economic conditions, and reasonable and supportable forecasts that affect the collectability of the outstanding balances. Receivables deemed uncollectable are written off against the allowance when it is determined that the receivable will not be collected. The Organization has determined that no allowance for credit losses is necessary as of December 31, 2023 and 2022, based on historical collection rates, creditworthiness of the customers and economic conditions stability.

Intangibles

The Organization capitalizes certain intangibles with estimated lives of two years or more. Intangibles are stated at cost, less accumulated amortization. Intangibles are amortized by the straight-line method over the useful life of the asset.

Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor (which may include certain grantor) restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions. This classification includes net assets designated by the board or management for a specified purpose.

Net Assets With Donor Restrictions - Net assets subject to donor restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature (endowment), where the donor stipulates that resources be maintained in perpetuity.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on estimated time and effort. Other expenses, such as information technology, and insurance are allocated based on usage. The Organization classifies expenses which are not directly related to a specific program as management and general expenses.

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization recognizes contributions when cash, nonfinancial assets/services or unconditional promises to give are received. Nonfinancial assets/services are valued based on the type of asset/service received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to the meeting of these conditions are reported as refundable advances in the statements of financial position. At December 31, 2023 and 2022, the Organization did not have any conditional contributions that have not been recognized in the accompanying statements of activities.

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted for a purpose by the donor are reported as revenue with donor restrictions and increases in net assets with donor restrictions. Contributions received with temporary restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization receives special events revenue which contains both an exchange component and a conditional contribution component. Both components are recognized when the event takes place. Any revenue received in advance of the event is recorded as deferred revenue.

Program service revenue consists of fees received in exchange for program services as listed herein. Processing fees contain a single delivery/service element and revenue is recognized at a single point in time when ownership, risks and rewards transfer, and all performance obligations are considered to be satisfied. Parent education, workshops, parent coordination, mediation services and other mentoring/coaching are generally recognized over time as the sessions are completed. Payments are generally received prior to sessions. Parent coordination and mediation services operate on a retainer system. Fees are on a sliding scale, and financial assistance is offered to encourage client attendance regardless of ability to pay. Any revenue received which has not been earned is recorded as deferred revenue.

Note 2 - Intangible Asset

Intangible assets consisted of the following at December 31, 2023 and 2022:

	2023	2022
Website design	$ 6,875	$ 6,875
Less: amortization	(3,438)	(1,146)
	$ 3,437	$ 5,729

Note 3 - Net Assets With Donor Restrictions

As of December 31, 2023 and 2022, net assets with donor restrictions are available as follows:

	2023	2022
Tziporah Pronman Fund	$ 12,958	$ 15,643
New York Bar	6,582	239
AAML	-	3,980
Equipment	3,612	-
Strategic plan	8,000	-
	$ 31,152	$ 19,862

Note 4 - Revenue from Contracts with Customers

Detail of revenue from contracts with customers during the years ended December 31, 2023 and 2022, is as follows:

	2023	2022
Parent education and workshop fees	$ 42,046	$ 32,027
Parent coordination	52,789	61,246
Mediation services	38,932	33,976
Other mentoring and coaching fees	17,957	31,478
Program processing fees	10,673	11,000
	$ 162,397	$ 169,727
Special event – exchange component	$ 42,131	$ 46,880

Deferred revenue consists primarily of contract liabilities for program retainer fees. The following table provides information about significant changes in the contract liabilities for the years ended December 31, 2023 and 2022:

	2023	2022
Deferred revenue, beginning of year	$ 79,619	$ 35,585
Revenue recognized that was included in deferred revenue at the beginning of the year	(79,619)	(35,585)
Increase in deferred revenue due to cash received in advance during the year	71,526	79,619
Deferred revenue, end of year	$ 71,526	$ 79,619

The beginning and ending balances of the Organization's receivables from contracts with customers are as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Beginning balances	$ 9,844	$ 6,169
Ending balances	$ 1,675	$ 9,844

Note 5 - Related Party Transactions and In-kind Contributions

The Executive Director is a member of the board of directors and married to another member of the board of directors. During the years ended December 31, 2023 and 2022, the Executive Director received $95,282 and $74,345, respectively, in salaries. During the year ended December 31, 2023, three other members of the board of directors were compensated a combined total of $11,633 for consulting services provided to the Organization.

Contributed services from a member of the board of directors that meet the US GAAP recognition requirement amounted to $34,800 for the year ended December 31, 2023. The valuation of these services was based on the time spent and the estimated hourly billing rate of the member of the board of directors.

Note 6 - Concentrations

The Organization maintains bank accounts and a certificate deposit with major financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits and certificates of deposit up to $250,000 per financial institution. At times, the balances of the accounts may have exceeded the insured limits during the years ended December 31, 2023 and 2022.

Note 7 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization's financial assets as of December 31, 2023 and 2022, reduced by amounts not available for general use within one year because of contractual, donor or internal restrictions and designations:

	2023	2022
Financial assets:		
Cash	$ 211,052	$ 281,109
Investment	50,763	-
Receivables	1,675	9,844
Total financial assets	263,490	290,953
Less those unavailable for general expenditures within one year	-	-
Financial assets available to meet cash needs for general expenditures within one year	$ 263,490	$ 290,953

Note 8 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures through October 28, 2024, which is the date the financial statements were available to be issued.