FAMILYKIND LTD.

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' REPORT

DECEMBER 31, 2022 AND 2021

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, 2022 and 2021, 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
December 29, 2023

FAMILYKIND LTD.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Cash	$ 281,109	$ 190,049
Program revenue receivable	9,844	6,169
Contributions and grants receivable	-	1,560
Intangible asset, net	5,729	3,000
Security deposits	1,344	1,344
Total assets	$ 298,026	$ 202,122
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 347	$ -
Deferred revenue	79,619	35,585
Total liabilities	79,966	35,585
Net Assets:		
Without donor restrictions	198,198	145,949
With donor restrictions	19,862	20,588
Total net assets	218,060	166,537
Total liabilities and net assets	$ 298,026	$ 202,122

See independent accountants' review report and accompanying notes.

FAMILYKIND LTD.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:						
Special events:						
Event income	$ 193,333	$ -	$ 193,333	$ 141,783	$ -	$ 141,783
Less: related direct costs	(46,880)	-	(46,880)	(30,731)	-	(30,731)
Net special event income	146,453	-	146,453	111,052	-	111,052
Contributions	90,275	15,655	105,930	103,174	20,588	123,762
Program service revenue	169,727	-	169,727	124,947	-	124,947
Government grants	-	-	-	31,270	-	31,270
Interest income	52	-	52	14	-	14
Net assets released from restriction:						
Satisfaction of purpose restrictions	16,381	(16,381)	-	-	-	-
Total support and revenues	422,888	(726)	422,162	370,457	20,588	391,045
Expenses:						
Program expenses:						
Parent coordination	57,134	-	57,134	58,993	-	58,993
Mediation services	49,788	-	49,788	39,442	-	39,442
Parent education	21,460	-	21,460	37,688	-	37,688
Coaching	27,207	-	27,207	32,750	-	32,750
Other programs	86,877	-	86,877	37,388	-	37,388
Total program expenses	242,466	-	242,466	206,261	-	206,261
Supporting services:						
Management and general	77,701	-	77,701	41,106	-	41,106
Fundraising	50,472	-	50,472	32,093	-	32,093
Total expenses	370,639	-	370,639	279,460	-	279,460
Increase/(decrease) in net assets	52,249	(726)	51,523	90,997	20,588	111,585
Net assets, beginning of year	145,949	20,588	166,537	54,952	-	54,952
Net assets, end of year	$ 198,198	$ 19,862	$ 218,060	$ 145,949	$ 20,588	$ 166,537

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 & 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.
STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Expenses						Supporting Services		
	Parent Coordination	Mediation Services	Parent Education	Coaching	Other Programs	Total Program	Management and General	Fundraising	Total Expenses
Personnel costs:									
Salaries	$ 28,052	$ 22,438	$ 23,221	$ 22,439	$ 800	$ 96,950	$ 3,349	$ 14,315	$ 114,614
Payroll taxes and benefits	2,481	1,984	2,054	1,984	71	8,574	296	1,266	10,136
Consultants	27,402	14,275	11,460	8,113	16,302	77,552	3,808	12,806	94,166
Total personnel costs	57,935	38,697	36,735	32,536	17,173	183,076	7,453	28,387	218,916
Direct expenses:									
Bad debt	-	-	-	-	-	-	653	-	653
Bank charges & processing fees	-	625	6	214	3,346	4,191	890	4	5,085
Dues and subscriptions	-	-	200	-	315	515	565	-	1,080
Information technology	-	-	100	-	11,825	11,925	3,985	3,265	19,175
Insurance	-	-	-	-	1,870	1,870	183	368	2,421
Marketing and promotion	-	-	-	-	105	105	649	-	754
Office expenses	58	120	240	-	700	1,118	2,532	9	3,659
Professional fees	100	-	-	-	-	100	20,941	-	21,041
Rent and utilities	-	-	-	-	-	-	3,125	-	3,125
Telephone and communications	900	-	400	-	1,425	2,725	15	60	2,800
Travel and meetings	-	-	7	-	629	636	115	-	751
Total direct expenses	1,058	745	953	214	20,215	23,185	33,653	3,706	60,544
Total expenses	$ 58,993	$ 39,442	$ 37,688	$ 32,750	$ 37,388	$ 206,261	$ 41,106	$ 32,093	$ 279,460

See independent accountants' review report and accompanying notes.

Skody Scot & Company, CPAs, P.C.

FAMILYKIND LTD.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Cash flows from operating activities:		
Increase in net assets	$ 51,523	$ 111,585
Adjustments for non-cash items included in operating activities:		
Bad debt	4,443	653
Amortization	1,146	-
(Increase)/decrease in assets:		
Program revenue receivable	(8,118)	(4,869)
Contributions and grants receivable	1,560	(1,360)
Prepaid expenses	-	(1,096)
Security deposits	-	800
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	347	(1,350)
Deferred revenue	44,034	(12,103)
Refundable advance	-	(26,495)
Net cash provided by operating activities	94,935	65,765
Cash flows from investing activities:		
Purchase of intangible asset	(3,875)	-
Net cash used by investing activities	(3,875)	-
Cash flows from financing activities	-	-
Net increase in cash	91,060	65,765
Cash, at beginning of year	190,049	124,284
Cash, at end of year	$ 281,109	$ 190,049

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 on a sliding fee scale. The Organization seeks to accomplish its mission by providing the following services: Parent Education: providing divorce and separation classes for adults, designed to help parents understand and meet the challenges they and their children face during this time; general Parent Education 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 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

At times, the Organization receives donated investments. The Organization records donated investments at their fair values on the dates of donation. The policy of the Organization is to sell donated investments immediately after receipt. The realized gains and losses from the immediate sales are immaterial and included with contributions on the statements of activities. For the purposes of the statements of cash flows, donated investments and the proceeds generated from their sales are included with operating activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectable receivables.

Intangibles

The Organization capitalizes certain intangibles with estimated lives of three 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. Expenditures for repairs and maintenance are expensed as incurred and major renewals and betterments are capitalized.

Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor (which may include certain grantors) 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.

Revenue Recognition

The Organization recognizes contributions when cash, nonfinancial assets/services, or unconditional promises to give are 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, 2022 and 2021, 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

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. Program service generally contains 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. Any revenue received which has not been earned is recorded as deferred revenue.

The Organization received grants from governmental agencies. Depending upon the terms of the grant, it can be either an exchange transaction or a contribution. In accordance with grant provisions, the grant can be an expense reimbursement grant which requires that approved expenses be incurred prior to reimbursement by the grantor. Other grants permit advances of grant funds or full payment of grant funds at the start of the grant. If the grant is an exchange-type grant, all unreimbursed expenses, for approved purposes, as of year-end are recorded as receivables and any unexpended advances are recorded as refundable advances. If the grant is a contribution, it is recognized in accordance with the contribution recognition policy described above.

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. The expenses that are allocated include salaries and related expenses based on estimated time and effort. Other expenses, such as insurance and information technology, are allocated based on usage. The Organization classifies expenses which are not directly related to a specific program as management and general expenses.

Note 2 - Net Assets With Donor Restrictions

As of December 31, 2022 and 2021, net assets with donor restrictions are available as follows:

	2022	2021
Tziporah Pronman Fund	$ 15,643	$ 14,988
Mediation services	-	5,600
New York Bar	239	-
AAML	3,980	-
	$ 19,862	$ 20,588

Note 3 - Intangible Asset

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

Website design	$ 6,875
Less: Amortization	(1,146)
	$ 5,729

There were no intangible assets as of December 31, 2021.

Note 4 - Government Grants

The Organization was awarded grants by governmental entities. Total revenue recognized under the grants during the year ended December 31, 2021 amounted to:

	2021
Federal	$ 26,495
New York City	4,775
	$ 31,270

There were no government grants awarded during the year ended December 31, 2022.

Note 5 - Revenue from Contracts with Customers

Detail of revenue from contracts with customers during the years ended December 31, 2022 and 2021, is as follows:

	2022	2021
Parent education class and workshop fees	$ 32,027	$ 20,069
Parent coordination	61,246	45,143
Mediation services	33,976	23,204
Other mentoring and coaching fees	31,478	27,981
Program processing fees	11,000	8,550
Special event – exchange component	46,880	30,731

The following table provides information about significant changes in the contract liabilities for the years ended December 31, 2022 and 2021:

	2022	2021
Program retainer fees, beginning of year	$ 35,585	$ -
Revenue recognized that was included in deferred revenue at the beginning of the year	(35,585)	-
Increase in deferred revenue due to cash received in advance during the year	79,619	35,585
Deferred revenue, end of year	$ 79,619	$ 35,585

Note 6 - Related Party

The Executive Director is a member of the Board of Directors and married to another board member. During the years ended December 31, 2022 and 2021, the Executive Director received $74,345 and $61,213, respectively, in salaries.

Note 7 - Concentrations

The Organization maintains bank accounts with major financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to $250,000 per financial institution. The Securities Investor Protection Corporation (SIPC) insures cash and securities, including money market funds, up to $500,000 per financial institution. At times, the balances of the accounts may have exceeded the insured limits during the years ended December 31, 2022 and 2021.

Note 8 - 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, 2022 and 2021, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

	2022	2021
Financial assets:		
Cash	$ 281,109	$ 190,049
Receivables	9,844	7,729
Total financial assets	290,953	197,778
Less those unavailable for general expenditures within one year	-	-
Financial assets available to meet cash needs for general expenditures within one year	$ 290,953	$ 197,778

Note 9 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures through December 29, 2023, which is the date the financial statements were available to be issued.