JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Year Ended December 31, 2022

C O N T E N T S

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(Continued)

MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Jewish Adoption and Foster Care Options, Inc.
JAFCO Children's Foundation, Inc.
JAFCO Respite and Family Resource Center for Children with Developmental Disabilities, Inc.
JAFCO/Jewish Adoption and Family Care Options, Inc.

Sunrise, Florida

Opinion

We have audited the accompanying combined financial statements of Jewish Adoption and Foster Care Options, Inc., JAFCO Children's Foundation, Inc., JAFCO Respite and Family Resource Center for Children with Developmental Disabilities, Inc., and JAFCO/Jewish Adoption and Family Care Options, Inc. (nonprofit organizations) (collectively the "Agency"), which comprise the combined statement of financial position as of December 31, 2022, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Agency as of December 31, 2022, and the combined changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of 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 Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined 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 risks of material misstatement of the combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

To the Board of Trustees of
Jewish Adoption and Foster Care Options, Inc.
JAFCO Children's Foundation, Inc.
JAFCO Respite and Family Resource Center for Children
with Developmental Disabilities, Inc.
JAFCO/Jewish Adoption and Family Care Options, Inc.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental schedules on pages 21 to 30 are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined 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 April 28, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Agency's 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 the Agency's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Fort Lauderdale, Florida
April 28, 2023

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER
FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINED STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

CURRENT ASSETS		
Cash		$ 3,394,038
Investments		22,304,636
Pledges receivable, net		1,702,998
Grants receivable		824,118
Prepaid expenses		196,682
	TOTAL CURRENT ASSETS	28,422,472
PROPERTY AND EQUIPMENT, net		17,019,678
PLEDGES RECEIVABLE, net, less current portion		6,412,589
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS		1,309,521
OTHER ASSETS		437,354
	TOTAL ASSETS	$ 53,601,614

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses		$ 413,535
Deferred revenue		86,178
	TOTAL CURRENT LIABILITIES	499,713
OTHER LIABILITIES		802,644
	TOTAL LIABILITIES	1,302,357
NET ASSETS		
Without donor restrictions		36,387,382
With donor restrictions		15,911,875
	TOTAL NET ASSETS	52,299,257
	TOTAL LIABILITIES AND NET ASSETS	$ 53,601,614

The accompanying notes are an integral part of the combined financial statements.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINED STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND OTHER SUPPORT			
Grants	$ 6,467,493	$ -	$ 6,467,493
Donations	9,628,300	2,753,154	12,381,454
Client fees	111,324	-	111,324
Investment loss, net	(1,637,093)	(644,043)	(2,281,136)
Other revenue	1,800	-	1,800
TOTAL REVENUES AND OTHER SUPPORT	14,571,824	2,109,111	16,680,935
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	750,000	-	750,000
NET ASSETS RELEASED FROM RESTRICTION	4,307,034	(4,307,034)	-
OPERATING EXPENSES			
Program	11,161,545	-	11,161,545
Fundraising	2,122,551	-	2,122,551
Management and general	1,261,042	-	1,261,042
TOTAL OPERATING EXPENSES	14,545,138	-	14,545,138
CHANGES IN NET ASSETS	5,083,720	(2,197,923)	2,885,797
NET ASSETS AT BEGINNING OF YEAR	31,303,662	18,109,798	49,413,460
NET ASSETS AT END OF YEAR	$ 36,387,382	$ 15,911,875	$ 52,299,257

The accompanying notes are an integral part of the combined financial statements.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2022

		SUPPORTING SERVICES			
	PROGRAM SERVICES	FUNDRAISING	GENERAL & ADMINI-STRATIVE	TOTAL SUPPORT SERVICES	TOTAL
Salaries and related expenses	$ 7,560,618	$ 840,069	$ 933,410	$ 1,773,479	$ 9,334,097
Client living and residential expenses	992,163	-	-	-	992,163
Facility expenses	454,222	64,889	21,629	86,518	540,740
Insurance	419,526	-	104,882	104,882	524,408
Fundraising expenses	-	486,071	-	486,071	486,071
Provision for doubtful accounts	-	466,807	-	466,807	466,807
Telephone and utilities	291,349	36,419	36,418	72,837	364,186
Office supplies and expenses	237,224	29,653	29,653	59,306	296,530
Rent	145,724	-	48,575	48,575	194,299
Other	97,256	82,536	3,785	86,321	183,577
Professional fees	135,575	-	33,894	33,894	169,469
Training, screening and fees	121,129	15,141	15,141	30,282	151,411
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	10,454,786	2,021,585	1,227,387	3,248,972	13,703,758
DEPRECIATION	706,759	100,966	33,655	134,621	841,380
TOTAL OPERATING EXPENSES	$ 11,161,545	$ 2,122,551	$ 1,261,042	$ 3,383,593	$ 14,545,138

The accompanying notes are an integral part of the combined financial statements.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER
FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINED STATEMENT OF CASH FLOWS

Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 2,885,797
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	841,380
Unrealized loss on investments	2,529,654
Realized loss on sale of investments	364,809
Non-cash lease expense	141,827
Gain on forgiveness of loan payable - paycheck protection program	(750,000)
Provision for doubtful accounts	466,807
Net present value discount on pledges receivable	422,158
Changes in operating assets and liabilities:	
Pledges receivable, net	(128,649)
Grants receivable	(57,335)
Prepaid expenses	(17,668)
Beneficial interest in split interest agreements	8,028
Other assets	40,106
Accounts payable and accrued expenses	(249,200)
Deferred revenue	(154,032)
Other liabilities	(340,801)
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,002,881
CASH FLOWS FROM INVESTING ACTIVITIES	
Sales of investments	26,231,111
Purchases of investments	(30,934,653)
Purchase of property and equipment	(1,401,397)
NET CASH USED IN INVESTING ACTIVITIES	(6,104,939)
CHANGE IN CASH	(102,058)
CASH - BEGINNING OF YEAR	3,496,096
CASH - END OF YEAR	$ 3,394,038

SUPPLEMENTAL NON-CASH INFORMATION:

The Company acquired right-of-use assets, which is presented in other assets, in exchange for operating lease liabilities of approximately $496,000 during the year ended December 31, 2022.

The accompanying notes are an integral part of the combined financial statements.

NOTE 1 - NATURE OF THE ORGANIZATION AND BASIS OF PRESENTATION

Nature of the Organizations

Jewish Adoption and Foster Care Options, Inc. ("JAFCO") was incorporated in April 1992 under the laws of the State of Florida as a not-for profit voluntary agency exempt from income taxes under the Internal Revenue Code. At inception, JAFCO received a ruling from the Internal Revenue Service ("IRS") that it is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code ("IRC").

JAFCO is licensed by the Florida Department of Children and Families as a child placing agency to provide foster care and adoption services and as a child caring group residential group care agency to provide emergency shelter and group home services to children ages birth to 24 (from Broward, Miami Dade, and Palm Beach counties). JAFCO currently provides an entire continuum of programs and services for abused and neglected children and their families:

- Family Preservation/Family Strengthening/Case Management and Referral Services
- Foster/Adoptive Parent Recruitment, Training and Licensing/Home Studies
- Foster Care Placement, Supervision and Support
- Adoption Placement and Post Adoption Support Services
- Emergency Shelter (for youth ages birth to 12)
- Group Home Program (for youth ages 6 to 24)
- Senior Caregiver Program (for grandparents raising their grandchildren)
- MST- Multi Systemic Therapy (in home family therapy program)
- Outpatient Therapy Program
- Independent Living Program for youth aging out of foster care
- Wellness experiences, crisis support, case management, trauma education through our Eagles' Haven Program

JAFCO Children's Foundation Inc. ("Foundation") was incorporated in March 2004 under the laws of the State of Florida as a not-for-profit voluntary agency exempt from income taxes under the IRC. At inception, the Foundation received a ruling from the IRS that it is a tax-exempt entity under Section 501(c)(3) of the IRC. The sole purpose of the Foundation is to provide funding and support for JAFCO approved programs listed in its bylaws.

Nature of the Organizations *(Continued)*

JAFCO Respite and Family Resource Center for Children with Developmental Disabilities, Inc. d/b/a JAFCO Children's Ability Center ("Ability Center") was incorporated in March 2012 under the laws of the State of Florida as a not-for-profit voluntary agency exempt from income taxes under the IRC. At inception, the Ability Center received a ruling from the IRS that it is a tax-exempt entity under Section 501(c)(3) of the IRC.

The Ability Center is licensed by the Florida Department of Children and Families and contracted with to provide family enrichment, resources, and respite care to families (from Broward, Dade, and Palm Beach) raising a child (age birth to 22) with a developmental disability (including Autism, Cerebral Palsy, Spina Bifida, Intellectual Disabilities and Prader Willi) including the following services:

- Family Support/Case Management and Referral/Crisis Support
- Day, overnight, weekend and extended respite care for up to two weeks a year per child
- Parent Education and Training
- Life Skills and Social Skills Training
- Social activities for parents and children
- 24-hour on-call crisis support for families
- Day and overnight summer camp, winter camp, spring break camp and gap camps
- After school and weekend enrichment activities for children
- Support Groups
- Illuminate Event Center provides employment for young adults with developmental disabilities and revenue for the Ability Center

JAFCO/Jewish Adoption and Family Care Options, Inc. d/b/a FamilyMatters ("FamilyMatters") was incorporated in May 2013 under the Commonwealth of Pennsylvania as a not-for-profit voluntary agency. At inception, FamilyMatters received a ruling from the IRS that it is a tax-exempt entity under Section 501(c)(3) of the IRC.

FamilyMatters is licensed by the Pennsylvania Department of Human Services to be able to provide foster care, adoption, and social services in the Greater Philadelphia area. FamilyMatters currently provides an entire continuum of programs and services for at-risk children and those with developmental disabilities and their families including the following:

- Family Preservation/Case Management Services for at risk children and families
- In home support services
- 24-hour on-call crisis support for families
- Supervised visitation as ordered by the court
- Support groups for parents and siblings of children with developmental disabilities
- Social and life skills training for children with developmental disabilities

NOTE 1 - NATURE OF THE ORGANIZATION AND BASIS OF PRESENTATION *(Continued)*

Basis of Presentation

The combined financial statements include the accounts of JAFCO, the Foundation, the Ability Center, and FamilyMatters (collectively, the "Agency"). All significant inter-organization accounts and transactions between the Agency have been eliminated in the combined financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Agency in the preparation of its combined financial statements:

Basis of Accounting

The combined financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Net Assets

Net assets are presented based on the existence or absence of donor-imposed restrictions. In these combined financial statements, net assets are reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions. The Agency's board may designate assets without restrictions for specific purposes from time to time. There were approximately $2,125,000 of board designated net assets at December 31, 2022 (See Note 10).

Net assets with donor restrictions - Net assets whose use is subject to donor-imposed stipulations for a particular purpose or period of time. Donor restrictions can be temporary in nature and fulfilled by actions or by the passage of time, or can be perpetual and be maintained permanently by the Agency. Net assets with donor restrictions that are perpetual in nature, and consist of endowments (see Note 11), were approximately $2,921,000 at December 31, 2022.

Investments

Investments are reported at fair value. Fair value is determined using the quoted closing or latest bid prices on active exchanges, if available. Realized gains and losses are calculated based in proceeds received less cost. The cost of securities sold is based on the average cost method. Investment loss, net on the combined statement of actives includes dividends, interest and net realized gain and losses and net unrealized gains and losses.

Pledges Receivable

Unconditional pledges to give cash and other assets (including multi-year pledges) are recognized at fair value in the period the pledge is made. Pledges to be received over more than one year are measured at the present value of estimated future cash flows. The discount rate used in the present value computation at December 31, 2022 was 6.00%.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or at fair market value at the date of gift, if donated. Depreciation and amortization are provided using the straight-line method over the shorter of the lease terms or estimated useful lives of the various classes of assets: 39 years for buildings, between 7 and 22 years for building improvements, between 3 and 10 years for furniture, equipment, and vehicles. Expenditures that improve or extend the life of property and equipment are capitalized.

The cost of maintenance, repairs, and recurring replacements are charged to operations as incurred.

Property and equipment purchased with government grants are classified as unrestricted net assets, when the likelihood of the return of the assets to the government is considered remote and there are no specific requirements.

Split-Interest Agreements

The Agency recognizes the beneficial interest from split-interest agreements when the trust or gift is established. The beneficial interest in the split-interest agreement represents the present value of the contribution held with or on behalf of the Agency as the beneficiary upon the death of the lifetime beneficiary.

Impairment of Long-Lived Assets

The Agency reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying amounts may be overstated. The Agency recognizes impairment losses if the undiscounted cash flows expected to be generated by the asset are less than the carrying value of the related asset. The impairment loss adjusts the assets to fair value. As of December 31, 2022, management believes that no impairments existed.

Revenue Recognition

Contributions

The Agency records unconditional promises to give as revenue when cash, other assets, or an unconditional promise to give are received. Conditional promises to give, that is those with a measurable performance barrier or other barrier, are not recognized until the conditions on which they depend have been met.

Revenue Recognition ***(Continued)***

Gifts of cash and other assets received with donor stipulations that limit the use of the donated assets are reported as a restricted contribution. When a restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the combined statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same period in which they are received are reported in net assets without donor restrictions.

Contributions of goods and services are recognized as revenue at their estimated values at the date of receipt if the services received create or enhance nonfinancial assets or require a specialized skill and would typically need to be purchased if not provided by the donation.

Grants

The Agency receives grants from a number of sources including government agencies, private foundations and other donors. Grants are evaluated as to whether they qualify as exchange transactions or contributions as defined by U.S. GAAP based on the terms of the grant, which generally provides the revenue is earned when the related services are provided or the costs are incurred, which is when the performance obligations have been met.

Income Taxes

The Agency has been recognized by the IRS as a tax-exempt organization under Section 501(c)(3) of the IRC and corresponding state tax law. Accordingly, income earned in furtherance of the Agency's tax-exempt purpose is exempt from federal and state income taxes and, therefore, these combined financial statements include no provision or liability for income taxes.

Functional Allocation of Expenses

The combined statement of functional expenses for the year ended December 31, 2022 allocates the Agency's expenses between those incurred in connection with program related services and supporting related services. These expenses have been allocated using a reasonable basis, including time and effort estimates, square footage usage, and specific identification, when applicable.

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the combined financial statements. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

New Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842) (the "New Lease Standard"). The Agency adopted the New Lease Standard on January 1, 2022. The New Lease Standard requires companies to recognize a right-of-use ("ROU") asset and a lease liability for all operating and finance leases with lease terms greater than 12 months. The New Lease Standard provides a number of practical expedients in transition, and we elected the package of practical expedients which permits us not to reassess under the New Lease Standard our prior conclusions about lease identification, lease classification, and treatment of initial direct costs. The adoption of the New Lease Standard resulted in the recognition of operating lease ROU assets and operating lease liabilities of approximately $496,000, respectively (see Note 12 for additional disclosures related to our leases). The lease assets and liabilities are equal to the present value of future lease payments. Leases continue to be classified as operating or capital (finance), with lease expense in both cases calculated substantially the same as under the prior leasing guidance.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which amends guidance for not-for-profit entities that receive contributed nonfinancial assets. The ASU requires not-for-profits to present contributed nonfinancial assets as a separate line item in the statements of activities, and to disclose information regarding each type of contributed nonfinancial asset. The ASU was adopted January 1, 2022, on a retrospective basis and did not have a significant impact on the Agency's financial statements.

Subsequent Events

The Agency has evaluated subsequent events for recording and disclosure in these combined financial statements through April 28, 2023, which is the date the combined financial statements were available to be issued.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Agency's financial assets as of the combined statement of financial position date, without limitations on use, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

Cash	$ 3,394,038
Investments	22,304,636
Pledges receivable, net, current	1,702,998
Grants receivable	824,118
Less financial assets unavailable for general expenditures within one year, due to:	
Donor restrictions	(15,911,875)
Financial assets available to meet cash needs for general expenditures within one year	$ 12,313,915

NOTE 3 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS *(Continued)*

As part of the Agency's liquidity management policy, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Additionally, excess cash is routinely invested in a portfolio of investment instruments to increase earnings. The investment portfolio includes investments readily convertible into cash to manage unanticipated liquidity needs. The Agency has not experienced significant liquidity issues in the past, and it is expected that the Agency will be able to meet day-to-day cash needs for general expenditures within one year of the balance sheet date.

NOTE 4 - FAIR VALUE MEASUREMENTS

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment. Changes in assumptions and in the Agency's operating environment could significantly affect these estimates.

The fair value of financial instruments is presented based upon a hierarchy of levels that prioritize the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices in active markets within Level 1 that are either directly or indirectly observable, including quoted prices for similar assets or liabilities in active markets.

Level 3 Significant, unobservable inputs for the asset or liability in which little or no market data exists.

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 carrying amounts of the Agency's short-term financial instruments approximate their fair value.

If available, quoted market prices are used to value investments. Equity and fixed income securities are valued at the closing price reported on the most active market on which the individual securities are traded. Non-traditional investments represent pooled equities and fixed income securities which are traded in active markets. The Agency's beneficial interest in split-interest agreements is valued based on the value of the underlying assets.

NOTE 4 - FAIR VALUE MEASUREMENTS *(Continued)*

The following table presents the fair value measurements of the Agency's financial instruments measured on a recurring basis as of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Cash and money market funds	$ 4,568,050	$ -	$ -	$ 4,568,050
Equities	10,324,896	-	-	10,324,896
Fixed income	5,313,030	250,000	-	5,563,030
Non-traditional	-	944,403	-	944,403
Total investments in the fair value hierarchy	20,205,976	1,194,403	-	21,400,379
Investments measured at NAV				904,257
Total investments				22,304,636
Beneficial interest in split-interest agreements	-	1,309,521	-	1,309,521
Total financial instruments	$ 20,205,976	$2,503,924	$ -	$ 23,614,157

Valuation techniques utilized to determine fair value are consistently applied. All assets have been valued using a market approach. There were no withdrawals from the beneficial interest in split-interest agreements. None of the investments measured at NAV have any unfunded commitments.

The following table summarizes investments measured at fair value using the NAV per share as a practical expedient as of December 31, 2022:

Investment Type	Fair Value	Redemption Frequency	Valuation Frequency	Holdback Provision	Redemption Notification
Alternative investment:					
SEI Core Property Fund	$ 269,442	Quarterly	Quarterly	-	95 day
SEI Structured Credit Fund	210,454	Quarterly	Monthly	-	65 day
Blackstone Real Estate Income Trust	424,361	Monthly	Monthly	2%	30 day
Total investments measured at NAV	$ 904,257				

NOTE 5 - INVESTMENTS

The Agency records investment earnings, gains, and losses on the accompanying combined statement of activities as incurred. Investment loss, net for the year ended December 31, 2022 consists of the following:

Unrealized loss on investments	$ (2,529,654)
Realized loss on investments	(364,809)
Interest and dividend income, net of expenses	613,327
Investment loss, net	$ (2,281,136)

NOTE 6 - PLEDGES RECEIVABLE, NET

Total pledges receivable, net, as of December 31, 2022 were as follows:

Gross pledges receivable	$ 10,392,947
Less allowance for uncollectable pledges	(906,065)
Less discounts to net present value	(1,371,295)
Net pledges receivable	$ 8,115,587
Amounts due in:	
Less than one year	$ 1,702,998
One to five years	4,859,887
More than five years	1,552,702
Net pledges receivable	8,115,587
Less current portion	(1,702,998)
Long-term portion	$ 6,412,589

NOTE 7 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net, at December 31, 2022 is comprised of the following:

Land	$ 2,455,850
Buildings	17,085,400
Furniture and equipment	3,683,955
Vehicles	284,227
	23,509,432
Less accumulated depreciation and amortization	(7,226,473)
	16,282,959
Construction in progress	736,719
Property and equipment, net	$ 17,019,678

Depreciation of property and equipment approximated $841,000 for the year ended December 31, 2022. During 2020, the Agency entered into a contractual agreement for the building of two respite homes totaling approximately $2,720,000. As of December 31, 2022, the Agency has incurred costs of $218,000 of construction in progress relating to this contract. The remaining balance in construction in progress is for costs incurred on this project that are not under a contractual agreement.

NOTE 8 - BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS

The Agency is a beneficiary of two split interest agreements, a charitable remainder trust and a gift annuity agreement. The donors or annuitants receive quarterly pay-outs from the underlying assets, with the Agency retaining legal ownership of the assets. The Agency recorded its beneficial interest in the charitable agreements of $1,309,521 at December 31, 2022. The Agency has recorded a net annuity liability relating to the future payouts of approximately $521,000 as of December 31, 2022, which is recorded within other liabilities in the accompanying combined statement of financial position.

NOTE 9 - LOAN PAYABLE – PAYCHECK PROTECTION PROGRAM

On May 25, 2021, JAFCO entered into a subordinated unsecured loan pursuant to the Paycheck Protection Program ("PPP") with a financial institution in the amount of $750,000 (the "PPP Loan"). The PPP Loan accrued interest at a fixed rate of 1% per annum. The amounts borrowed can be forgiven if JAFCO complies with certain requirements stipulated by the PPP. JAFCO satisfied all relevant conditions of this program and received full forgiveness on the debt obligation during the year ended December 31, 2022. Accordingly, JAFCO recognized the entire balance of the funds received as a gain on forgiveness of loan payable - paycheck protection program on the accompanying combined statement of activities.

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS

The Agency's net assets with donor restrictions consist of the following as of December 31, 2022:

With donor restrictions – temporary in nature:	
Subject to expenditure for specified purpose:	
Godparent	$ 5,465,453
Ability Center	375,498
Circle of Hope	1,441,697
Village	681,386
Ability Center Capital Campaign	3,055,504
Cultural Arts	145,391
Mench	723,699
Catering with a Heart	117,629
Restricted earnings and deficits on endowment funds	196,973
Subject to expenditure for time restrictions	788,078
Total with donor restrictions – temporary in nature	12,991,308
With donor restrictions – perpetual in nature:	
Endowment fund	2,920,567
Total net assets with donor restrictions	$ 15,911,875

The Agency's net assets with board designations consist of the following as of December 31, 2022:

Northeast Community – general expenses	$ 316,899
Foundation loan guarantee	43,850
Ability center construction	26,734
Reserve for deferred compensation funding	77,238
Respite homes construction	409,737
Village renovations	249,392
Building renovations	1,012
Designated endowment	1,000,000
Total net assets with board designations	$ 2,124,862

NOTE 11 - ENDOWMENTS

The Agency's endowments are made up of board designated assets and assets with donor-imposed restrictions. Net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Agency interprets the Florida Uniform Prudent Management of Institutional Funds Act ("FUPMIFA") as requiring the preservation of the historical value of the original gift amount of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. The Agency considers the following factors in making a determination to appropriate or accumulate its endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Agency and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Agency
(7) The investment policies of the Agency

The Agency has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include assets of donor-restricted funds that the Agency must hold in perpetuity. Under this policy, the endowment assets are invested in a manner that is intended to produce a moderate return while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Agency relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The Agency disburses funds as needed within the guidelines of the endowments. Over the long-term, the Agency expects the current spending policy to allow its endowments to grow. This is consistent with the Agency's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or FUPMIFA requires the Agency to retain as a fund of perpetual duration. Cumulative deficiencies of this nature that are in excess of related restricted amounts are reported in net assets with donor restrictions. Cumulative deficiencies of this nature are reported in restricted earnings and deficits on endowment funds.

NOTE 11 - ENDOWMENTS *(Continued)*

The Agency's change in endowment assets, which are included within net assets with donor restrictions, for the year ended December 31, 2022 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Endowment
Endowments at January 1, 2022	$ 1,000,000	$ 360,486	$ 2,680,053	$ 4,040,539
Investment loss	-	(163,513)	-	(163,513)
Contributions	-	-	240,514	240,514
Endowments at December 31, 2022	$ 1,000,000	$ 196,973	$ 2,920,567	$ 4,117,540

NOTE 12 - LEASES

The Agency recognizes operating lease liabilities based on the present value of future minimum lease payments over the expected lease term and corresponding ROU assets. FamilyMatters entered into an office space lease agreement with an unrelated third party and commenced with rental payments beginning on August 1, 2020. The FamilyMatters lease has a term of six years with one renewal term for an additional five years and calls for fixed escalating payments on each anniversary date. JAFCO entered into a lease agreement with an unrelated third party for a counseling office and wellness center with rental payments beginning on April 1, 2019. The JAFCO lease expires on February 28, 2025.

The Agency analyzed the leases and calculated a total initial lease payment amount of $531,954 with a present value of $496,189 using a 4.50% discount. As of December 31, 2022, the ROU asset and the lease liability were approximately $354,000. As of December 31, 2022, the operating leases had a weighted-average remaining lease term of approximately 28 months. The ROU asset is included in other assets and the lease liability is included in accounts payable and accrued expenses (current portion) and other liabilities (long-term portion) on the accompanying combined statement of financial position. Lease expense totaled approximately $194,000 for the year ended December 31, 2022 and is included in rent expense in the accompanying combined statement of functional expenses.

The future minimum lease payments as of December 31, 2022, approximate the following:

Year Ending December 31,	Amount
2023	$ 163,000
2024	165,000
2025	44,000
Total future undiscounted payments on leases	372,000
Less imputed interest	(18,000)
Present value of net minimum lease payments	354,000
Less current portion	(150,000)
Long-term operating lease liabilities	$ 204,000

NOTE 13 - DEFERRED COMPENSATION AGREEMENT

JAFCO has a non-qualified deferred compensation plan pursuant to Section 457(f) of the IRC (the "457(f) Plan"), which allows certain employees the option to defer a portion of their salary in accordance with the 457(f) Plan, i.e., until they reach retirement age. JAFCO has recorded a corresponding asset and liability related to the 457(f) Plan of approximately \$77,000 as of December 31, 2022, which are included within other assets and other liabilities, respectively, on the accompanying combined statement of financial position. JAFCO contributed approximately \$297,000 to the 457(f) Plan during the year ended December 31, 2022. The 457(f) Plan distributed approximately \$304,000 to a participant that vested during the year ended December 31, 2022. JAFCO's liability to the 457(f) Plan participant is deferred until the vesting date, which occurs when the employee reaches retirement age.

NOTE 14 - RETIREMENT PLAN

The Agency sponsors a 403(b) retirement plan (the "Plan") for the benefit of substantially all employees. All participating employees may elect to contribute a portion of their salary to the Plan. The total Agency matching contributions expense related to the Plan for the year ended December 31, 2022, were approximately \$52,000 and related to the Plan year 2022.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Concentrations and Credit Risk

Financial instruments, which potentially subject the Agency to concentrations of credit risk, principally consist of cash, pledges receivable, net, grants receivable, and beneficial interest in split-interest agreements. The Agency maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Agency has not experienced any losses in such accounts.

Investment securities are exposed to various risks, such as interest rate, counterparty nonperformance, market and credit risks. Due to the level of risk associated with certain investment securities, and market volatility, it is at least reasonably possible that changes in the values of investment securities will occur in the near term.

SUPPLEMENTAL INFORMATION

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2022

CURRENT ASSETS	JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.	JAFCO CHILDREN'S FOUNDATION, INC.	JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.	JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.	TOTAL BEFORE ELIMINATIONS	ELIMINATIONS	TOTAL
Cash	$ 1,033,624	$ 1,762,951	$ 261,347	$ 336,116	$ 3,394,038	$ -	$ 3,394,038
Investments	-	22,304,636	-	-	22,304,636	-	22,304,636
Pledges receivable, net	-	1,702,998	-	-	1,702,998	-	1,702,998
Grants receivable	357,089	11,741	455,288	-	824,118	-	824,118
Prepaid expenses	91,647	83,194	18,018	3,823	196,682	-	196,682
TOTAL CURRENT ASSETS	1,482,360	25,865,520	734,653	339,939	28,422,472	-	28,422,472
PROPERTY AND EQUIPMENT, net	94,448	16,787,527	126,284	11,419	17,019,678	-	17,019,678
PLEDGES RECEIVABLE, net, less current portion	-	6,412,589	-	-	6,412,589	-	6,412,589
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS	1,048,738	260,783	-	-	1,309,521	-	1,309,521
OTHER ASSETS	220,132	4,295	1,459	211,468	437,354	-	437,354
TOTAL ASSETS	$ 2,845,678	$ 49,330,714	$ 862,396	$ 562,826	$ 53,601,614	$ -	$ 53,601,614
CURRENT LIABILITIES							
Accounts payable and accrued expenses	$ 208,134	$ 33,924	$ 80,244	$ 91,233	$ 413,535	$ -	$ 413,535
Deferred revenue	72,577	-	13,601	-	86,178	-	86,178
TOTAL CURRENT LIABILITIES	280,711	33,924	93,845	91,233	499,713	-	499,713
OTHER LIABILITIES	610,154	67,332	-	125,158	802,644	-	802,644
TOTAL LIABILITIES	890,865	101,256	93,845	216,391	1,302,357	-	1,302,357
NET ASSETS							
Without donor restrictions	1,360,187	34,029,839	650,922	346,434	36,387,382	-	36,387,382
With donor restrictions	594,627	15,199,619	117,629	-	15,911,875	-	15,911,875
TOTAL NET ASSETS	1,954,814	49,229,458	768,551	346,434	52,299,257	-	52,299,257
TOTAL LIABILITIES AND NET ASSETS	$ 2,845,679	$ 49,330,714	$ 862,396	$ 562,825	$ 53,601,614	$ -	$ 53,601,614

See Independent Auditor's Report.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.
JAFCO CHILDREN'S FOUNDATION, INC.
JAFCO CHILDREN'S ABILITY CENTER, INC.
FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.
JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

COMBINING STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.	JAFCO CHILDREN'S FOUNDATION, INC.	JAFCO RESPITE AND FAMILY RESOURCE CENTER FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.	JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.	TOTAL BEFORE ELIMINATIONS	ELIMINATIONS	TOTAL
REVENUES AND OTHER SUPPORT							
Grants	$ 2,806,024	$ -	$ 3,657,055	$ 4,414	$ 6,467,493	$ -	$ 6,467,493
Donations	3,966,955	6,939,331	538,351	936,817	12,381,454	-	12,381,454
Client fees	-	-	108,124	3,200	111,324	-	111,324
Investment loss, net	(396,191)	(1,884,945)	-	-	(2,281,136)	-	(2,281,136)
Other revenue	-	-	1,800	-	1,800	-	1,800
Support from related parties	1,208,102	100,000	-	90,000	1,398,102	(1,398,102)	-
TOTAL REVENUES AND OTHER SUPPORT	7,584,890	5,154,386	4,305,330	1,034,431	18,079,037	(1,398,102)	16,680,935
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	750,000	-	-	-	750,000	-	750,000
OPERATING EXPENSES							
Program	5,811,488	883,818	3,895,748	570,491	11,161,545	-	11,161,545
Fundraising	802,456	723,163	450,530	146,402	2,122,551	-	2,122,551
Management and general	636,324	84,536	453,157	87,025	1,261,042	-	1,261,042
Support to related parties	-	1,298,102	100,000	-	1,398,102	(1,398,102)	-
TOTAL OPERATING EXPENSES	7,250,268	2,989,619	4,899,435	803,918	15,943,240	(1,398,102)	14,545,138
CHANGE IN NET ASSETS	1,084,622	2,164,767	(594,105)	230,513	2,885,797	-	2,885,797
NET ASSETS AT BEGINNING OF YEAR	870,192	47,064,691	1,362,656	115,921	49,413,460	-	49,413,460
NET ASSETS AT END OF YEAR	$ 1,954,814	$ 49,229,458	$ 768,551	$ 346,434	$ 52,299,257	$ -	$ 52,299,257

See Independent Auditor's Report.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

CURRENT ASSETS		
Cash	$	1,033,624
Grants receivable		357,089
Prepaid expenses		91,647
TOTAL CURRENT ASSETS		1,482,360
PROPERTY AND EQUIPMENT, net		94,448
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS		1,048,738
OTHER ASSETS		220,132
TOTAL ASSETS	$	2,845,678

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	208,134
Deferred revenue		72,577
TOTAL CURRENT LIABILITIES		280,711
OTHER LIABILITIES		610,154
TOTAL LIABILITIES		890,865
NET ASSETS		
Without donor restrictions		1,360,187
With donor restrictions		594,627
TOTAL NET ASSETS		1,954,814
TOTAL LIABILITIES AND NET ASSETS	$	2,845,679

See Independent Auditor's Report.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND OTHER SUPPORT			
Grants	$ 2,806,024	$ -	$ 2,806,024
Donations	3,815,584	151,371	3,966,955
Investment loss, net	(324)	(395,867)	(396,191)
Support from related parties	1,208,102	-	1,208,102
TOTAL REVENUES AND OTHER SUPPORT	7,829,386	(244,496)	7,584,890
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	750,000	-	750,000
OPERATING EXPENSES			
Program	5,811,488	-	5,811,488
Fundraising	802,456	-	802,456
Management and general	636,324	-	636,324
TOTAL OPERATING EXPENSES	7,250,268	-	7,250,268
CHANGES IN NET ASSETS	1,329,118	(244,496)	1,084,622
NET ASSETS AT BEGINNING OF YEAR	31,069	839,123	870,192
NET ASSETS AT END OF YEAR	$ 1,360,187	$ 594,627	$ 1,954,814

See Independent Auditor's Report.

JAFCO CHILDREN'S FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

CURRENT ASSETS		
Cash	$	1,762,951
Investments		22,304,636
Pledges receivable, net		1,702,998
Grants receivable		11,741
Prepaid expenses		83,194
TOTAL CURRENT ASSETS		25,865,520
PROPERTY AND EQUIPMENT, net		16,787,527
PLEDGES RECEIVABLE, net, less current portion		6,412,589
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS		260,783
OTHER ASSETS		4,295
TOTAL ASSETS	$	49,330,714

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	33,924
OTHER LIABILITIES		67,332
TOTAL LIABILITIES		101,256
NET ASSETS		
Without donor restrictions		34,029,839
With donor restrictions		15,199,619
TOTAL NET ASSETS		49,229,458
TOTAL LIABILITIES AND NET ASSETS	$	49,330,714

See Independent Auditor's Report.

JAFCO CHILDREN'S FOUNDATION, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND OTHER SUPPORT			
Donations	$ 4,337,548	$ 2,601,783	$ 6,939,331
Investment loss, net	(1,636,769)	(248,176)	(1,884,945)
Support from related parties	100,000	-	100,000
TOTAL REVENUES AND OTHER SUPPORT BEFORE RELEASES	2,800,779	2,353,607	5,154,386
NET ASSETS RELEASED FROM RESTRICTION	4,306,834	(4,306,834)	-
OPERATING EXPENSES			
Program	883,818	-	883,818
Fundraising	723,163	-	723,163
Management and general	84,536	-	84,536
Support to related party	1,298,102	-	1,298,102
TOTAL OPERATING EXPENSES	2,989,619	-	2,989,619
CHANGES IN NET ASSETS	4,117,994	(1,953,227)	2,164,767
NET ASSETS AT BEGINNING OF YEAR	29,911,845	17,152,846	47,064,691
NET ASSETS AT END OF YEAR	$ 34,029,839	$ 15,199,619	$ 49,229,458

See Independent Auditor's Report.

JAFCO RESPITE AND FAMILY RESOURCE CENTER
FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

CURRENT ASSETS		
Cash	$	261,347
Grants receivable		455,288
Prepaid expenses		18,018
TOTAL CURRENT ASSETS		734,653
PROPERTY AND EQUIPMENT, net		126,284
OTHER ASSETS		1,459
TOTAL ASSETS	$	862,396

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	80,244
Deferred revenue		13,601
TOTAL LIABILITIES		93,845
NET ASSETS		
Without donor restrictions		650,922
With donor restrictions		117,629
TOTAL NET ASSETS		768,551
TOTAL LIABILITIES AND NET ASSETS	$	862,396

See Independent Auditor's Report.

JAFCO RESPITE AND FAMILY RESOURCE CENTER
FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND OTHER SUPPORT			
Grants	$ 3,657,055	$ -	$ 3,657,055
Donations	538,351	-	538,351
Client fees	108,124	-	108,124
Other revenue	1,800	-	1,800
TOTAL REVENUES AND OTHER SUPPORT BEFORE RELEASES	4,305,330	-	4,305,330
NET ASSETS RELEASED FROM RESTRICTION	200	(200)	-
OPERATING EXPENSES			
Program	3,895,748	-	3,895,748
Fundraising	450,530	-	450,530
Management and general	453,157	-	453,157
Support to related parties	100,000	-	100,000
TOTAL OPERATING EXPENSES	4,899,435	-	4,899,435
CHANGES IN NET ASSETS	(593,905)	(200)	(594,105)
NET ASSETS AT BEGINNING OF YEAR	1,244,827	117,829	1,362,656
NET ASSETS AT END OF YEAR	$ 650,922	$ 117,629	$ 768,551

See Independent Auditor's Report.

JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

CURRENT ASSETS		
Cash	$	336,116
Prepaid expenses		3,823
TOTAL CURRENT ASSETS		339,939
PROPERTY AND EQUIPMENT, net		11,419
OTHER ASSET		211,468
TOTAL ASSETS	$	562,826

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	91,233
OTHER LIABILITY		125,158
TOTAL LIABILITIES		216,391
NET ASSETS		
Without donor restrictions		346,434
With donor restrictions		-
TOTAL LIABILITIES AND NET ASSETS	$	562,825

See Independent Auditor's Report.

JAFCO/JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND OTHER SUPPORT			
Grants	$ 4,414	$ -	$ 4,414
Donations	936,817	-	936,817
Client fees	3,200	-	3,200
Support from related parties	90,000	-	90,000
TOTAL REVENUES AND OTHER SUPPORT	1,034,431	-	1,034,431
OPERATING EXPENSES			
Program	570,491	-	570,491
Fundraising	146,402	-	146,402
Management and general	87,025	-	87,025
TOTAL OPERATING EXPENSES	803,918	-	803,918
CHANGES IN NET ASSETS	230,513	-	230,513
NET ASSETS AT BEGINNING OF YEAR	115,921	-	115,921
NET ASSETS AT END OF YEAR	$ 346,434	$ -	$ 346,434

See Independent Auditor's Report.

MSL

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCEAND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Jewish Adoption and Foster Care Options, Inc.
JAFCO Children's Foundation, Inc.
JAFCO Respite and Family Resource Center for Children
with Developmental Disabilities, Inc.
JAFCO/Jewish Adoption and Family Care Options, Inc.
Sunrise, Florida

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 combined financial statements of Jewish Adoption and Foster Care Options, Inc., JAFCO Children's Foundation, Inc., JAFCO Respite and Family Resource Center for Children with Development Disabilities, Inc. and JAFCO/Jewish Adoption and Family Care Options, Inc. (nonprofit organizations) (collectively, the "Agency"), which comprise the combined statements of financial position as of December 31, 2022, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated April 28, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Agency's 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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

To the Board of Trustees of
Jewish Adoption and Foster Care Options, Inc.
JAFCO Children's Foundation, Inc.
JAFCO Respite and Family Resource Center for Children
with Developmental Disabilities, Inc.
JAFCO/Jewish Adoption and Family Care Options, Inc.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's combined 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 combined 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Fort Lauderdale, Florida
April 28, 2023