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, 2021

C O N T E N T S

C O N T E N T S *(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, 2021, 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, 2021, 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. 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.

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.

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 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, 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 May 18, 2022, 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
May 18, 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.

COMBINED STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS

CURRENT ASSETS		
Cash	$	3,496,096
Investments		20,090,216
Pledges receivable, net		1,798,185
Grants receivable		766,783
Prepaid expenses		179,014
TOTAL CURRENT ASSETS		26,330,294
PROPERTY AND EQUIPMENT, net		16,459,661
PLEDGES RECEIVABLE, net, less current portion		7,077,718
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS		1,722,890
OTHER ASSETS		123,098
TOTAL ASSETS	$	51,713,661

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	512,336
Deferred revenue		240,210
TOTAL CURRENT LIABILITIES		752,546
LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM		750,000
OTHER LIABILITIES		797,655
TOTAL LIABILITIES		2,300,201
NET ASSETS		
Without donor restrictions		31,303,662
With donor restrictions		18,109,798
TOTAL NET ASSETS		49,413,460
TOTAL LIABILITIES AND NET ASSETS	$	51,713,661

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, 2021

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
TOTAL REVENUES AND OTHER SUPPORT			
Grants	$ 5,182,576	$ -	$ 5,182,576
Donations	5,224,962	2,739,797	7,964,759
Client fees	115,496	-	115,496
Investment income, net	433,143	-	433,143
Other revenue	1,519,915	-	1,519,915
TOTAL REVENUES AND OTHER SUPPORT	12,476,092	2,739,797	15,215,889
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	1,499,400	-	1,499,400
NET ASSETS RELEASED FROM RESTRICTION	3,587,743	(3,587,743)	-
OPERATING EXPENSES			
Program	9,591,651	-	9,591,651
Fundraising	1,808,975	-	1,808,975
Management and general	1,077,399	-	1,077,399
TOTAL OPERATING EXPENSES	12,478,025	-	12,478,025
CHANGES IN NET ASSETS	5,085,210	(847,946)	4,237,264
NET ASSETS AT BEGINNING OF YEAR	26,218,452	18,957,744	45,176,196
NET ASSETS AT END OF YEAR	$ 31,303,662	$ 18,109,798	$ 49,413,460

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, 2021

		SUPPORTING SERVICES			
	PROGRAM SERVICES	FUNDRAISING	GENERAL & ADMINI-STRATIVE	TOTAL SUPPORT SERVICES	TOTAL
Salaries and related expenses	$ 6,473,452	$ 719,272	$ 799,192	$ 1,518,464	$ 7,991,916
Client living and residential expenses	771,924	-	-	-	771,924
Fundraising expenses	-	345,997	-	345,997	345,997
Facility expenses	430,714	61,531	20,510	82,041	512,755
Insurance	286,056	-	71,514	71,514	357,570
Telephone and utilities	247,026	30,878	30,878	61,756	308,782
Office supplies and expenses	272,145	34,018	34,018	68,036	340,181
Professional fees	123,242	-	30,811	30,811	154,053
Rent	134,411	-	44,804	44,804	179,215
Provision for doubtful accounts	-	441,058	-	441,058	441,058
Credit card charges	6,494	58,442	-	58,442	64,936
Training, screening and fees	76,931	9,616	9,617	19,233	96,164
Transportation and travel	33,942	6,364	2,122	8,486	42,428
License fees	22,724	-	-	-	22,724
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	8,879,061	1,707,176	1,043,466	2,750,642	11,629,703
DEPRECIATION	712,590	101,799	33,933	135,732	848,322
TOTAL OPERATING EXPENSES	$ 9,591,651	$ 1,808,975	$ 1,077,399	$ 2,886,374	$ 12,478,025

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, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 4,237,264
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	848,322
Unrealized loss on investments	235,780
Realized gain on sale of investments	(267,719)
Gain on forgiveness of loan payable - paycheck protection program	(1,499,400)
Provision for doubtful accounts	441,058
Net present value discount on pledges receivable	(36,470)
Changes in operating assets and liabilities:	
Pledges receivable, net	1,391,991
Grants receivable	132,766
Prepaid expenses	(98,382)
Beneficial interest in split interest agreements	(9,132)
Accounts payable and accrued expenses	119,010
Deferred revenue	77,761
Other liabilities	(158,868)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5,413,981
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of investments	(6,398,654)
Purchase of property and equipment	(230,000)
NET CASH USED IN INVESTING ACTIVITIES	(6,628,654)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of loan payable - paycheck protection program	750,000
CHANGE IN CASH	(464,673)
CASH - BEGINNING OF YEAR	3,960,769
CASH - END OF YEAR	$ 3,496,096

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.

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 23 (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 23)
- 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 and trauma education

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 Internal Revenue Code. At inception, the Foundation received a ruling from the IRS that it is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. The sole purpose of the Foundation is to provide funding and support for JAFCO approved programs listed in its bylaws.

JAFCO Respite and Family Resource Center for Children with Developmental Disabilities, Inc. d/b/a The 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 Internal Revenue Code. 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 Internal Revenue Code.

Nature of the Organizations ***(Continued)***

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
- Respite Care/Day, Overnight, Weekend and Extended Respite
- 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 Family Matters ("Family Matters") was incorporated in May 2013 under the Commonwealth of Pennsylvania as a not-for-profit voluntary agency. At inception, Family Matters received a ruling from the IRS that it is a tax-exempt entity under Section 50l(c)(3) of the Internal Revenue Code.

Family Matters is licensed by the Pennsylvania Department of Human Services to be able to provide foster care and adoption services in the Greater Philadelphia area. Family Matters 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

Basis of Presentation

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

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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.

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 $758,000 of board designated net assets at December 31, 2021.

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 $3,700,000 at December 31, 2021.

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 income, net on the 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, 2021 was 4.00%.

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.

Property and Equipment *(Continued)*

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, 2021, management believes that no impairments existed.

Revenue Recognition

Contributions

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 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 accounting principles generally accepted in the United States of America 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 Internal Revenue Code 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, 2021 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 accounting principles generally accepted in the United States of America 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.

Accounting Pronouncement Not Yet Adopted

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases* ("New Lease Standard"). The New Lease Standard amends leasing guidance by requiring companies to recognize a right-of-use asset and a lease liability for all operating and capital (finance) leases with lease terms greater than 12 months. In June 2020, the FASB issued ASU 2020-05, which allows certain nonprofit entities the option defer the adoption of the New Lease Standard due to the coronavirus pandemic. The Agency has elected to defer the implementation of the New Lease Standard pursuant to ASU 2020-05, and the new guidance is effective for the Agency as of January 1, 2022. The Agency is continuing to evaluate the impact the guidance will have on their combined financial statements.

Subsequent Events

The Agency has evaluated subsequent events for recording and disclosure in these combined financial statements through May 18, 2022, 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	$ 3,496,096
Investments	20,090,216
Pledges receivable, current	1,798,185
Grants receivable	766,783
Less financial assets unavailable for general expenditures within one year, due to:	
Donor restricted for various purposes	(18,109,798)
Financial assets available to meet cash needs for general expenditures within one year	$ 8,041,482

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. During the year ended December 31, 2021, the Agency received funds from the federal government related to the coronavirus pandemic. See Note 9 for restrictions on the use of these funds and potential repayment of these funds.

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. The carrying amount of the loan payable – paycheck protection program approximates its fair value based on the Agency recently entering into the loan agreement.

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. Beneficial interest in split-interest agreements is valued based on the value of the underlying assets.

The following table presents the fair value measurements of the Agency's financial instruments measured on a recurring basis as of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Cash and money market funds	$ 9,773,171	$ -	$ -	$ 9,773,171
Equities	5,908,711	-	-	5,908,711
Fixed income	3,323,709	250,000	-	3,573,709
Non-traditional	-	401,705	-	401,705
Total investments in the fair value hierarchy	19,005,591	651,705	-	19,657,296
Investments measured at NAV				432,920
Total investments				20,090,216
Beneficial interest in split-interest agreements	-	1,722,890	-	1,722,890
Total financial instruments	$ 19,005,591	$2,374,595	$ -	$ 21,813,106

NOTE 4 - FAIR VALUE MEASUREMENTS *(Continued)*

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. 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, 2021:

Investment Type	Fair Value	Redemption Frequency	Holdback Provision	Redemption Notification
Alternative investment:				
SEI Core Property Fund	$ 216,618	Quarterly	-	95 day
SEI Structured Credit Fund	216,302	Monthly	-	65 day
Total investments measured at NAV	$ 432,920			

NOTE 5 - INVESTMENTS

The Agency records investment earnings, gains, and losses on the accompanying combined statement of activities as incurred. The cost basis of the investments at December 31, 2021 was approximately $19,900,000. Investment income, net for the year ended December 31, 2021 consists of the following:

Unrealized loss on investments	$ (235,780)
Realized gain on investments	267,719
Interest and dividend income, net of expenses	401,204
Investment income, net	$ 433,143

NOTE 6 - PLEDGES RECEIVABLE, NET

Total pledges receivable, net, as of December 31, 2021 were as follows:

Gross pledges receivable	$ 10,335,098
Less allowance for uncollectable pledges	(510,057)
Less discounts to net present value	(949,138)
Net pledges receivable	$ 8,875,903
Amounts due in:	
Less than one year	$ 1,798,185
One to five years	5,504,312
More than five years	1,573,407
Net pledges receivable	8,875,903
Less current portion	(1,798,185)
Long-term portion	$ 7,077,718

NOTE 7 - PROPERTY AND EQUIPMENT, NET

Property and equipment, net, at December 31, 2021 is comprised of the following:

Land	$ 2,455,850
Buildings	16,497,588
Furniture and equipment	3,290,309
Vehicles	244,932
	22,488,679
Less accumulated depreciation and amortization	(6,385,093)
	16,103,586
Construction in progress	356,075
Property and equipment, net	$ 16,459,661

Depreciation and amortization of property and equipment approximated $848,000 for the year ended December 31, 2021. During 2020, the Agency entered into a contractual agreement for the building of two respite homes totaling approximately $2,698,000. As of December 31, 2021, the Agency has incurred costs of $36,000 of construction in progress relating to building the two respite homes.

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 $1,722,890 at December 31, 2021. The Agency has recorded a net annuity liability relating to the future payouts of approximately $680,000 as of December 31, 2021, which is recorded within other liabilities in the accompanying combined statement of financial position.

NOTE 9 - LOAN PAYABLE – PAYCHECK PROTECTION PROGRAM

In May 2020, JAFCO entered into a subordinated unsecured loan pursuant to the Paycheck Protection Program ("PPP") with a financial institution in the amount of $1,499,400 (the "PPP Loan"). The PPP Loan accrues 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, 2021. Accordingly, JAFCO recognized the entire balance of the funds received as a gain on forgiveness of loan payable - paycheck protection program on the accompanying statement of activities.

NOTE 9 - LOAN PAYABLE – PAYCHECK PROTECTION PROGRAM *(Continued)*

On May 25, 2021, JAFCO entered into a loan agreement with a lender for $750,000 as a second draw from the PPP (the "PPP Loan 2"). The PPP Loan 2 accrues interest at a fixed rate of 1% per annum and matures on May 25, 2026. The amounts borrowed can be forgiven if JAFCO complies with certain requirements stipulated by the PPP. JAFCO has not yet applied for loan forgiveness on PPP Loan 2.

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, 2021:

With donor restrictions – temporary in nature:	
Subject to expenditure for specified purpose:	
Godparent	$ 5,233,426
D.D. Center	1,576,773
Circle of Hope	1,521,472
Village	394,426
Ability Center Capital Campaign	3,158,692
Cultural Arts	165,940
Mench	858,122
Catering with a Heart	117,829
Restricted earnings and deficits on endowment funds	360,486
Subject to expenditure for time restrictions	1,042,579
Total with donor restrictions – temporary in nature	14,429,745
With donor restrictions – perpetual in nature:	
Endowment fund	3,680,053
Total net assets with donor restrictions	$ 18,109,798

The Agency's net assets with board designations consist of the following as of December 31, 2021:

Northeast Community – general expenses	$ 81,192
Foundation loan guarantee	50,047
Ability center construction	26,734
Reserve for deferred compensation funding	600,000
Total net assets with board designations	$ 757,973

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, 2021 are as follows:

	Temporarily Restricted	Permanently Restricted	Total Endowment
Endowments at January 1, 2021	$ 332,730	$ 3,400,353	$ 3,733,083
Investment earnings	27,756	-	27,756
Contributions	-	279,700	279,700
Endowments at December 31, 2021	$ 360,486	$ 3,680,053	$ 4,040,539

NOTE 12 - EMPLOYEE RETENTION CREDITS

The Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security Act provides an employee retention credit ("ERC"), which is a refundable tax credit against certain employment taxes. The Company received an ERC of approximately $1,511,000 for the year ended December 31, 2021, which represents refunds for the first two quarters of 2021. The Company recognized this revenue within other revenue in the accompanying combined statement of activities.

NOTE 13 - LEASES

The Agency has entered into lease agreements with unrelated third parties. Family Matters' office space lease agreement commenced with rental payments beginning on August 1, 2020 and has a term of six years, with one renewal term for an additional five years. The Family Matters lease calls for fixed escalating payments on each anniversary date. The JAFCO lease agreement commenced on April 1, 2019 and expires on February 28, 2025. The JAFCO lease is for a counseling office and wellness center. The JAFCO lease calls for fixed escalating payments on each anniversary date.

Lease payments totaled approximately $179,000 for the year ended December 31, 2021. The future minimum lease payments as of December 31, 2021, approximate the following:

Year Ending December 31,	Amount
2022	$ 183,000
2023	185,000
2024	187,000
2025	112,000
2026	33,000
	$ 700,000

NOTE 14 - DEFERRED COMPENSATION AGREEMENT

JAFCO has a non-qualified deferred compensation plan pursuant to section 457(f) of the Internal Revenue Code (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 incurred approximately $60,000 in deferred compensation for the year ended December 31, 2021. JAFCO has recorded a corresponding asset and liability related to the 457(f) Plan of approximately $117,000 as of December 31, 2021, which are included within other assets and other liabilities, respectively, on the accompanying combined statement of financial position. JAFCO's liability to each employee covered by the 457(f) Plan is deferred until the vesting date, which occurs when the employee reaches retirement age.

NOTE 15 - 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, 2021, were approximately $51,000 and related to the Plan year 2021.

NOTE 16 - COMMITMENTS AND CONTINGENCIES

Concentrations and Credit Risk

Financial instruments, which potentially subject the Agency to concentrations of credit risk, consist principally 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.

Investments are subject to the risk of market fluctuations. 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.

Risks and Uncertainties

In 2019, a new coronavirus was identified as the cause of a disease ("COVID-19"). On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The spread of the COVID-19 outbreak in the United States has resulted in economic uncertainties which may negatively impact the Agency's business operations. While the disruption is expected to be temporary, there is uncertainty surrounding the duration and extent of the impact. The impact of the coronavirus outbreak on the combined financial statements cannot be reasonably estimated at this time.

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, 2021

	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
CURRENT ASSETS							
Cash	$ 1,047,285	$ 1,392,117	$ 947,731	$ 108,963	$ 3,496,096	$ -	$ 3,496,096
Investments	-	20,090,216	-	-	20,090,216	-	20,090,216
Pledges receivable, net	-	1,798,185	-	-	1,798,185	-	1,798,185
Grants receivable	339,764	37,250	389,769	-	766,783	-	766,783
Prepaid expenses	50,790	91,468	28,773	7,983	179,014	-	179,014
TOTAL CURRENT ASSETS	1,437,839	23,409,236	1,366,273	116,946	26,330,294	-	26,330,294
PROPERTY AND EQUIPMENT, net	20,711	16,377,024	56,894	5,032	16,459,661	-	16,459,661
PLEDGES RECEIVABLE, net, less current portion	-	7,077,718	-	-	7,077,718	-	7,077,718
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS	1,444,605	278,285	-	-	1,722,890	-	1,722,890
OTHER ASSETS	117,344	4,295	1,459	-	123,098	-	123,098
TOTAL ASSETS	$ 3,020,499	$ 47,146,558	$ 1,424,626	$ 121,978	$ 51,713,661	$ -	$ 51,713,661
CURRENT LIABILITIES							
Accounts payable and accrued expenses	$ 453,503	$ 7,038	$ 45,738	$ 6,057	$ 512,336	$ -	$ 512,336
Deferred revenue	223,978	-	16,232	-	240,210	-	240,210
TOTAL CURRENT LIABILITIES	677,481	7,038	61,970	6,057	752,546	-	752,546
LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	750,000	-	-	-	750,000	-	750,000
OTHER LIABILITIES	722,826	74,829	-	-	797,655	-	797,655
TOTAL LIABILITIES	2,150,307	81,867	61,970	6,057	2,300,201	-	2,300,201
NET ASSETS							
Without donor restrictions	31,069	29,911,845	1,244,827	115,921	31,303,662	-	31,303,662
With donor restrictions	839,123	17,152,846	117,829	-	18,109,798	-	18,109,798
TOTAL NET ASSETS	870,192	47,064,691	1,362,656	115,921	49,413,460	-	49,413,460
TOTAL LIABILITIES AND NET ASSETS	$ 3,020,499	$ 47,146,558	$ 1,424,626	$ 121,978	$ 51,713,661	$ -	$ 51,713,661

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, 2021

	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
TOTAL REVENUES AND OTHER SUPPORT							
Grants	$ 2,212,139	$ -	$ 2,952,128	$ 18,309	$ 5,182,576	$ -	$ 5,182,576
Donations	3,030,511	3,536,234	736,826	661,188	7,964,759	-	7,964,759
Client fees	3,942	-	110,404	1,150	115,496	-	115,496
Investment income, net	-	433,143	-	-	433,143	-	433,143
Other revenue	912,740	10,133	597,042	-	1,519,915	-	1,519,915
Donations from related parties	-	350,000	-	100,000	450,000	(450,000)	-
TOTAL REVENUES AND OTHER SUPPORT	6,159,332	4,329,510	4,396,400	780,647	15,665,889	(450,000)	15,215,889
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	1,499,400	-	-	-	1,499,400	-	1,499,400
OPERATING EXPENSES							
Program	4,923,402	801,054	3,359,348	507,847	9,591,651	-	9,591,651
Fundraising	681,127	624,544	398,207	105,097	1,808,975	-	1,808,975
Management and general	553,345	61,111	390,037	72,906	1,077,399	-	1,077,399
Donations to related parties	350,000	100,000	-	-	450,000	(450,000)	-
TOTAL OPEARTING EXPENSES	6,507,874	1,586,709	4,147,592	685,850	12,928,025	(450,000)	12,478,025
CHANGE IN NET ASSETS	1,150,858	2,742,801	248,808	94,797	4,237,264	-	4,237,264
NET (DEFICIT) ASSETS AT BEGINNING OF YEAR	(280,666)	44,321,890	1,113,848	21,124	45,176,196	-	45,176,196
NET ASSETS AT END OF YEAR	$ 870,192	$ 47,064,691	$ 1,362,656	$ 115,921	$ 49,413,460	$ -	$ 49,413,460

See Independent Auditor's Report.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS

CURRENT ASSETS		
Cash	$	1,047,285
Grants receivable		339,764
Prepaid expenses		50,790
TOTAL CURRENT ASSETS		1,437,839
PROPERTY AND EQUIPMENT, net		20,711
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS		1,444,605
OTHER ASSETS		117,344
TOTAL ASSETS	$	3,020,499

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	453,503
Deferred revenue		223,978
TOTAL CURRENT LIABILITIES		677,481
LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM		750,000
OTHER LIABILITIES		722,826
TOTAL LIABILITIES		2,150,307
NET ASSETS		
Without donor restrictions		31,069
With donor restrictions		839,123
TOTAL NET ASSETS		870,192
TOTAL LIABILITIES AND NET ASSETS	$	3,020,499

See Independent Auditor's Report.

JEWISH ADOPTION AND FOSTER CARE OPTIONS, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
TOTAL REVENUES AND OTHER SUPPORT			
Grants	$ 2,212,139	$ -	$ 2,212,139
Donations	2,880,141	150,370	3,030,511
Client fees	3,942	-	3,942
Other revenue	912,740	-	912,740
TOTAL REVENUES AND OTHER SUPPORT	6,008,962	150,370	6,159,332
GAIN ON FORGIVENESS OF LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM	1,499,400	-	1,499,400
OPERATING EXPENSES			
Program	4,923,402	-	4,923,402
Fundraising	681,127	-	681,127
Management and general	553,345	-	553,345
Donations to related parties	350,000	-	350,000
TOTAL OPERATING EXPENSES	6,507,874	-	6,507,874
CHANGES IN NET ASSETS	1,000,488	150,370	1,150,858
NET (DEFICIT) ASSETS AT BEGINNING OF YEAR	(969,419)	688,753	(280,666)
NET ASSETS AT END OF YEAR	$ 31,069	$ 839,123	$ 870,192

See Independent Auditor's Report.

JAFCO CHILDREN'S FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS

CURRENT ASSETS	
Cash	$ 1,392,117
Investments	20,090,216
Pledges receivable, net	1,798,185
Grants receivable	37,250
Prepaid expenses	91,468
TOTAL CURRENT ASSETS	23,409,236
PROPERTY AND EQUIPMENT, net	16,377,024
PLEDGES RECEIVABLE, net, less current portion	7,077,718
BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS	278,285
OTHER ASSETS	4,295
TOTAL ASSETS	$ 47,146,558

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable and accrued expenses	$ 7,038
OTHER LIABILITIES	74,829
TOTAL LIABILITIES	81,867
NET ASSETS	
Without donor restrictions	29,911,845
With donor restrictions	17,152,846
TOTAL NET ASSETS	47,064,691
TOTAL LIABILITIES AND NET ASSETS	$ 47,146,558

See Independent Auditor's Report.

JAFCO CHILDREN'S FOUNDATION, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
TOTAL REVENUES AND OTHER SUPPORT			
Donations	$ 1,064,636	$ 2,471,598	$ 3,536,234
Investment income, net	433,143	-	433,143
Other revenue	10,133	-	10,133
Donations from related parties	350,000	-	350,000
TOTAL REVENUES AND OTHER SUPPORT BEFORE RELEASES	1,857,912	2,471,598	4,329,510
NET ASSETS RELEASED FROM RESTRICTION	3,587,743	(3,587,743)	-
OPERATING EXPENSES			
Program	801,054	-	801,054
Fundraising	624,544	-	624,544
Management and general	61,111	-	61,111
Donations to related party	100,000	-	100,000
TOTAL OPERATING EXPENSES	1,586,709	-	1,586,709
CHANGES IN NET ASSETS	3,858,946	(1,116,145)	2,742,801
NET ASSETS AT BEGINNING OF YEAR	26,052,899	18,268,991	44,321,890
NET ASSETS AT END OF YEAR	$ 29,911,845	$ 17,152,846	$ 47,064,691

See Independent Auditor's Report.

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

STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS

CURRENT ASSETS		
Cash	$	947,731
Grants receivable		389,769
Prepaid expenses		28,773
TOTAL CURRENT ASSETS		1,366,273
PROPERTY AND EQUIPMENT, net		56,894
OTHER ASSETS		1,459
TOTAL ASSETS	$	1,424,626

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	45,738
Deferred revenue		16,232
TOTAL LIABILITIES		61,970
NET ASSETS		
Without donor restrictions		1,244,827
With donor restrictions		117,829
TOTAL NET ASSETS		1,362,656
TOTAL LIABILITIES AND NET ASSETS	$	1,424,626

See Independent Auditor's Report.

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

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
TOTAL REVENUES AND OTHER SUPPORT			
Grants	$ 2,952,128	$ -	$ 2,952,128
Donations	618,997	117,829	736,826
Client fees	110,404	-	110,404
Other revenue	597,042	-	597,042
TOTAL REVENUES AND OTHER SUPPORT	4,278,571	117,829	4,396,400
OPERATING EXPENSES			
Program	3,359,348	-	3,359,348
Fundraising	398,207	-	398,207
Management and general	390,037	-	390,037
TOTAL OPERATING EXPENSES	4,147,592	-	4,147,592
CHANGES IN NET ASSETS	130,979	117,829	248,808
NET ASSETS AT BEGINNING OF YEAR	1,113,848	-	1,113,848
NET ASSETS AT END OF YEAR	$ 1,244,827	$ 117,829	$ 1,362,656

See Independent Auditor's Report.

JAFCO-JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS

CURRENT ASSETS		
Cash	$	108,963
Prepaid expenses		7,983
TOTAL CURRENT ASSETS		116,946
PROPERTY AND EQUIPMENT, net		5,032
TOTAL ASSETS	$	121,978

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	6,057
NET ASSETS		
Without donor restrictions		115,921
TOTAL LIABILITIES AND NET ASSETS	$	121,978

See Independent Auditor's Report.

JAFCO-JEWISH ADOPTION AND FAMILY CARE OPTIONS, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
TOTAL REVENUES AND OTHER SUPPORT			
Grants	$ 18,309	$ -	$ 18,309
Donations	661,188	-	661,188
Client fees	1,150	-	1,150
Donations from related parties	100,000	-	100,000
TOTAL REVENUES AND OTHER SUPPORT	780,647	-	780,647
OPERATING EXPENSES			
Program	507,847	-	507,847
Fundraising	105,097	-	105,097
Management and general	72,906	-	72,906
TOTAL OPERATING EXPENSES	685,850	-	685,850
		-	
CHANGES IN NET ASSETS	94,797	-	94,797
NET ASSETS AT BEGINNING OF YEAR	21,124	-	21,124
NET ASSETS AT END OF YEAR	$ 115,921	$ -	$ 115,921

See Independent Auditor's Report.

Certified Public Accountants

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

To the Board of 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, 2021, 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 May 18, 2022.

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
May 18, 2022