

KEYSTONE FAMILY ALLIANCE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023
AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

HAMILTON & MUSSER, P.C.
Certified Public Accountants

KEYSTONE FAMILY ALLIANCE
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For the Year Ended December 31, 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Keystone Family Alliance
Millheim, Pennsylvania

We have reviewed the accompanying financial statements of Keystone Family Alliance (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – cash basis as of December 31, 2023, and the related statements of support, revenue, and expenses – cash basis and functional expenses – cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. The procedures we performed were based on professional judgment and consisted primarily of analytical procedures and inquiries. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Keystone Family Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

June 25, 2024

Mechanicsburg, Pennsylvania



Certified Public Accountants

KEYSTONE FAMILY ALLIANCE
Statement of Assets, Liabilities, and Net Assets – Cash Basis
December 31, 2023

Assets	
Cash and Cash Equivalents	\$ <u>130,524</u>
Total Assets	\$ <u><u>130,524</u></u>
Liabilities	
Total Liabilities	\$ <u> -</u>
Net Assets	
Without Donor Restrictions	<u>130,524</u>
Total Net Assets	<u>130,524</u>
Total Liabilities and Net Assets	\$ <u><u>130,524</u></u>

See Accompanying Notes and Independent Accountant's Review Report

KEYSTONE FAMILY ALLIANCE
Statement of Support, Revenue, and Expenses – Cash Basis
For the Year Ended December 31, 2023

Operating Revenue	
Donations	\$ 354,075
Fundraising	<u>132,411</u>
Total Operating Revenue	<u>486,486</u>
Operating Expenses	
Program Services	201,928
Supporting Services	
Management and General	139,135
Fundraising	<u>101,821</u>
Total Operating Expenses	<u>442,884</u>
Non-Operating Revenue	
Insurance Proceeds	<u>1,500</u>
Total Non-Operating Revenue	<u>1,500</u>
Change in Net Assets	45,102
Net Assets, Beginning of Year	<u>85,422</u>
Net Assets, End of Year	<u>\$ 130,524</u>

See Accompanying Notes and Independent Accountant's Review Report

KEYSTONE FAMILY ALLIANCE
Statement of Functional Expenses – Cash Basis
For the Year Ended December 31, 2023

	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Salary and Wages	\$ 100,001	\$ 100,852	\$ 60,651	\$ 261,504
Payroll Tax	9,496	9,560	5,549	24,605
Professional Services	21,764	4,821	2,720	29,305
Insurance	439	2,707	439	3,585
Fees	-	5,951	-	5,951
Administrative	11,446	11,446	2,544	25,436
Travel	10,224	3,475	2,402	16,101
Professional Development	22,011	323	-	22,334
Employee Expense	5,749	-	-	5,749
Awareness & Outreach	20,798	-	27,516	48,314
Total	\$ 201,928	\$ 139,135	\$ 101,821	\$ 442,884

See Accompanying Notes and Independent Accountant's Review Report

KEYSTONE FAMILY ALLIANCE
Notes to Financial Statements
For the Year Ended December 31, 2023

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

Pennsylvania Orphan Care Alliance d/b/a Keystone Family Alliance (the Alliance) is a non-profit organization that was created to educate, motivate, and equip every Christian in the state of Pennsylvania on the needs of orphans and vulnerable children, both locally and globally. The Alliance's significant activities include recruiting and raising awareness for families to meet the foster, adoptive, and supportive needs of orphaned and vulnerable children. The Alliance is primarily supported through the contributions of private individuals.

Basis of Accounting:

The Alliance prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis, the only asset recognized is cash and cash equivalents, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements. Noncash transactions are not recognized in the financial statements.

Basis of Presentation:

Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the Alliance to report information regarding its assets, liabilities, net assets, support, revenue, and expenses according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The Alliance had no net assets with donor restrictions.

Contributions:

Contributions received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Support, Revenue, and Expenses – Cash Basis as net assets released from restrictions. The Alliance had no net assets with donor restrictions.

Cash and Cash Equivalents:

For the purpose of the Statement of Assets, Liabilities, and Net Assets – Cash Basis, cash and cash equivalents include all highly liquid investments with an initial maturity of three months or less.

Use of Estimates:

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

Taxation:

The Alliance is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Donors are entitled to deductions for federal income tax purposes for contributions made to the Alliance in accordance with the Internal Revenue Code. Accordingly, no income tax is incurred unless the Alliance earns income considered to be unrelated business income. The Alliance conducted no activities which were subject to income taxes.

Management evaluated the tax positions taken and concluded that the Alliance had taken no uncertain tax positions that require recognition or disclosure in the financial statements. With few exceptions, the Alliance is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2020.

KEYSTONE FAMILY ALLIANCE
Notes to Financial Statements
For the Year Ended December 31, 2023

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses:

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Support, Revenue, and Expenses – Cash Basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2 AVAILABILITY AND LIQUIDITY

The following represents the Alliance’s financial assets at December 31, 2023:

Financial Assets:	
Cash and Cash Equivalents	\$ <u>130,524</u>
Total Financial Assets	<u>130,524</u>
Financial Assets Available to Meet Expenses Over the Next Year	<u>\$ 130,524</u>

The Alliance’s plan is generally to maintain financial assets to meet 90 days of operating expenses.

NOTE 3 CONCENTRATION OF CREDIT RISK

The Alliance maintains its bank deposits in local financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. The Alliance’s bank balances may periodically exceed these limits, which management considers to be a normal business risk. There were no amounts in excess of the FDIC limit as of December 31, 2023.

As of December 31, 2023, the Alliance had \$26,264 in a PayPal account, which is not insured by the FDIC.

NOTE 4 SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 25, 2024, which is the date the financial statements were available to be issued.