

**THE KINDNESS PROJECT
(A Not-for-Profit Corporation)**

**Financial Statements
and Accountant's Compilation Report**

December 31, 2021

THE KINDNESS PROJECT
(A Not-for-Profit Corporation)
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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
The Kindness Project
Emmaus, PA

Management is responsible for the accompanying financial statements of The Kindness Project (A Not-for-Profit Corporation), which comprise the statements of assets, liabilities and net assets – modified cash basis as of December 31, 2021 and 2020, and the related statements of revenues, expenses and changes in net assets – modified cash basis, and functional expenses – modified cash basis for the years then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, net assets, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to The Kindness Project as of and for the year ended December 31, 2021 and 2020, because a member of the engagement team serves on the Organization's board of directors.

Campbell, Rappold & Yurasits LLP

November 15, 2022

THE KINDNESS PROJECT
(A Not-for-Profit Corporation)
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS – CASH BASIS
as of December 31, 2021 and 2020

	December 31,	
	2021	2020
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 278,766	\$ 144,349
Deposits	-	10,000
Other Assets	64	64
Land, Building and Equipment, Net of Depreciation	347,756	-
TOTAL ASSETS	\$ 626,586	\$ 154,413
<u>LIABILITIES AND NET ASSETS:</u>		
<u>LIABILITIES</u>		
Long-Term Debt	\$ 284,709	\$ -
TOTAL LIABILITIES	284,709	-
<u>NET ASSETS:</u>		
Without Donor Restrictions	338,877	151,913
With Donor Restrictions	3,000	2,500
TOTAL NET ASSETS	341,877	154,413
TOTAL LIABILITIES AND NET ASSETS	\$ 626,586	\$ 154,413

See accountant's compilation report.

THE KINDNESS PROJECT
(A Not-for-Profit Corporation)
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - CASH BASIS
For the Years Ended December 31, 2021 and 2020

	Year Ended December 31,	
Changes in Net Assets Without Donor Restrictions	2021	2020
<i>Revenues, Gains and Other Support</i>		
Contributions	\$ 204,892	\$ 128,827
Local and Foundation Grants	11,500	11,500
Fundraising Events	48,592	31,755
Less: Direct Benefit Costs to Donors	(2,526)	(1,372)
Miscellaneous Income	15,987	41,106
Net Assets Released from Restrictions	4,585	500
 Total Revenues	 283,030	 212,316
<i>Expenses</i>		
Program Services	72,471	37,453
Management and General	10,136	7,294
Fundraising	13,459	16,756
 Total Expenses	 96,066	 61,503
 INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	 186,964	 150,813
 <u>Changes in Net Assets With Donor Restrictions:</u>		
Contributions	5,085	3,000
Net Assets Released from Restrictions	(4,585)	(500)
 INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	 500	 2,500
 INCREASE IN NET ASSETS	 187,464	 153,313
Net Assets at Beginning of Year	154,413	1,100
Net Assets at End of Year	\$ 341,877	\$ 154,413

See accountant's compilation report.

THE KINDNESS PROJECT
(A Not-for-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
For the Year Ended December 31, 2021
With Comparative Totals for 2020

	Program Services	Supporting Services		Total	
		Management and General	Fundraising	2021	2020
Wages	\$ 35,100	\$ 2,340	\$ 9,360	\$ 46,800	\$ -
Payroll Taxes	2,962	790	197	3,949	-
Contract Labor	-	-	-	-	33,000
Advertising	-	-	130	130	-
Rent Expense	7,500	-	-	7,500	13,200
Utilities	2,181	-	-	2,181	1,311
Professional Fees	-	3,173	-	3,173	500
Insurance	1,787	558	-	2,345	1,197
Supplies	1,442	-	-	1,442	1,590
Conference and Meeting Expense	-	223	-	223	180
Registration Fees	-	150	-	150	615
Office Supplies	-	91	-	91	445
Bank Charges	-	-	295	295	1,241
Postage and Shipping	-	-	2,261	2,261	6,947
Payroll Processing Fees	-	912	-	912	-
Dues and Subscriptions	-	648	-	648	150
Real Estate Taxes	7,583	-	-	7,583	-
Interest Expense	7,623	-	-	7,623	-
Repairs and Maintenance	1,061	-	-	1,061	-
Direct Cost of Special Events	-	-	2,526	2,526	1,372
Volunteer Expense	1,886	-	-	1,886	617
Miscellaneous	-	1,010	1,216	2,226	434
Depreciation Expense	3,346	-	-	3,346	-
Charitable Contributions	-	241	-	241	76
Total Expenses By Function	72,471	10,136	15,985	98,592	62,875
Less Expenses Included With Revenues on the Statement of Revenues, Expenses and Changes in Net Assets Direct Costs of Special Events	-	-	(2,526)	(2,526)	(1,372)
Total Expenses Included in the Expense Section on the Statement of Revenues, Expenses and Changes in Net Assets	\$ 72,471	\$ 10,136	\$ 13,459	\$ 96,066	\$ 61,503

See accountant's compilation report.