

# **Youth, Improving Non-Profits for Children**

Audited Financial Statements

December 31, 2024

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## **Independent Auditor's Report**

To the Board of Directors of  
Youth, Improving Non-Profits for Children

### **Opinion**

We have audited the accompanying financial statements of Youth, Improving Non-Profits for Children ("Youth INC"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Youth INC as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 Youth INC 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 the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Youth INC'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Youth INC'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.

#### **Report on Summarized Comparative Information**

We have previously audited Youth INC's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 13, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Sax CPAs LLP*

New York, NY  
June 24, 2025

# Youth, Improving Non-Profits for Children

## Statement of Financial Position

As of December 31, 2024  
(With comparative totals as of December 31, 2023)

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,333,221	\$ 2,827,827
Contributions receivable, net	584,397	1,202,614
Prepaid expenses and other assets	52,256	214,683
Property and equipment, net	22,798	46,649
Security deposit	3,300	119,143
<b>TOTAL ASSETS</b>	<b>\$ 4,995,972</b>	<b>\$ 4,410,916</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 539,639	\$ 65,385
Grant expense payable	7,500	8,000
Total liabilities	547,139	73,385
<b>NET ASSETS</b>		
Without donor restrictions		
For operations	1,889,833	1,927,450
Board designated operating reserve	2,232,000	1,755,000
Total without donor restrictions	4,121,833	3,682,450
With donor restrictions	327,000	655,081
Total net assets	4,448,833	4,337,531
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,995,972</b>	<b>\$ 4,410,916</b>

*The attached notes and auditor's report are an integral part of these financial statements.*

# Youth, Improving Non-Profits for Children

## Statement of Activities

For the Year Ended December 31, 2024  
(With comparative totals for the year ended December 31, 2023)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total 12/31/24</b>	<b>Total 12/31/23</b>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Contributions and special events (net of expenses with a direct benefit to donors)	\$ 5,702,901	\$ -	\$ 5,702,901	\$ 4,033,006
Government grants	-	-	-	296,850
In-kind contributions	563,432	-	563,432	802,532
Interest income	90,114	-	90,114	51,975
Net assets released from restrictions	328,081	(328,081)	-	-
Total public support and revenue	<u>6,684,528</u>	<u>(328,081)</u>	<u>6,356,447</u>	<u>5,184,363</u>
<b>EXPENSES</b>				
Program services	<u>4,138,269</u>	<u>-</u>	<u>4,138,269</u>	<u>3,398,028</u>
Supporting services:				
Management and general	1,196,318	-	1,196,318	1,161,109
Fundraising	<u>910,558</u>	<u>-</u>	<u>910,558</u>	<u>873,517</u>
Total supporting services	<u>2,106,876</u>	<u>-</u>	<u>2,106,876</u>	<u>2,034,626</u>
Total expenses	<u>6,245,145</u>	<u>-</u>	<u>6,245,145</u>	<u>5,432,654</u>
<b>Change in net assets</b>	<b>439,383</b>	<b>(328,081)</b>	<b>111,302</b>	<b>(248,291)</b>
<b>NET ASSETS, <i>beginning of year</i></b>	<u>3,682,450</u>	<u>655,081</u>	<u>4,337,531</u>	<u>4,585,822</u>
<b>NET ASSETS, <i>end of year</i></b>	<u><b>\$ 4,121,833</b></u>	<u><b>\$ 327,000</b></u>	<u><b>\$ 4,448,833</b></u>	<u><b>\$ 4,337,531</b></u>

The attached notes and auditor's report are an integral part of these financial statements.

# Youth, Improving Non-Profits for Children

## Statement of Functional Expenses

For the Year Ended December 31, 2024  
(With comparative totals for the year ended December 31, 2023)

		Supporting Services				
	Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses 12/31/24	Total Expenses 12/31/23
Salaries, payroll taxes and benefits	\$ 2,721,257	\$ 754,664	\$ 782,441	\$ 1,537,105	\$ 4,258,362	\$ 3,145,926
Professional fees	32,113	252,260	6,954	259,214	291,327	339,669
Consultants	343,541	23,598	22,110	45,708	389,249	605,660
Grant expenses	286,500	-	-	-	286,500	116,164
Office expenses	94,725	41,114	35,733	76,847	171,572	143,444
Occupancy	35,934	10,694	7,660	18,354	54,288	94,079
Travel and meetings	37,861	21,546	11,929	33,475	71,336	73,799
Insurance	10,325	2,981	2,897	5,878	16,203	25,511
Production costs	48,081	-	280,476	280,476	328,557	13,670
In-kind professional expenses	488,090	61,636	12,746	74,382	562,472	788,092
In-kind use of facilities	-	960	-	960	960	14,440
Other expenses	23,446	14,441	16,636	31,077	54,523	41,930
Bad debt expenses	-	7,690	-	7,690	7,690	99
Depreciation	16,396	4,734	4,600	9,334	25,730	30,171
Total expenses	4,138,269	1,196,318	1,184,182	2,380,500	6,518,769	5,432,654
Less: direct special event expenses netted with revenue	-	-	(273,624)	(273,624)	(273,624)	-
<b>Total expenses for statement of activities</b>	<b>\$ 4,138,269</b>	<b>\$ 1,196,318</b>	<b>\$ 910,558</b>	<b>\$ 2,106,876</b>	<b>\$ 6,245,145</b>	<b>\$ 5,432,654</b>

The attached notes and auditor's report are an integral part of these financial statements.

# Youth, Improving Non-Profits for Children

## Statement of Cash Flows

For the Year Ended December 31, 2024  
(With comparative totals for the year ended December 31, 2023)

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 111,302	\$ (248,291)
Adjustments to reconcile change in net assets to net cash used for operating activities:		
Depreciation	25,730	30,171
Changes in assets and liabilities:		
Contributions receivable	618,217	(81,943)
Prepaid expenses and other assets	162,427	(153,894)
Security deposit	115,843	(3,300)
Accounts payable and accrued expenses	474,254	(414,568)
Grant expense payable	(500)	(50,000)
Total adjustments	1,395,971	(673,534)
Net cash provided by/(used for) operating activities	1,507,273	(921,825)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(1,879)	(7,569)
Net cash used for investing activities	(1,879)	(7,569)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,505,394</b>	<b>(929,394)</b>
<b>CASH AND CASH EQUIVALENTS, <i>beginning of year</i></b>	<b>2,827,827</b>	<b>3,757,221</b>
<b>CASH AND CASH EQUIVALENTS, <i>end of year</i></b>	<b>\$ 4,333,221</b>	<b>\$ 2,827,827</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
No interest or taxes were paid.		

The attached notes and auditor's report are an integral part of these financial statements.



# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 1 - Nature of the Organization

Youth, Improving Non-Profits for Children's (D/B/A "Youth INC's") mission is to build a vibrant and sustainable youth development sector by strengthening the organizations that help young people thrive. Youth INC strengthens youth-serving nonprofits by equipping them with the tools, resources, and strategies to overcome barriers, achieve sustainable growth, and expand their impact. We believe that investing in organizations dedicated to youth development is an investment in the future. Our theory of change is that by providing coaching, connections, and capital, we empower youth-serving organizations to achieve and sustain lasting impact and deliver measurable results that improve the lives of young people. Since its founding in 1995, Youth INC has been a vital partner to nonprofits, helping to strengthen their growth through targeted capacity-building programs, ensuring that behind every success story are strong systems, sound strategies, steady leadership and supported teams. Youth INC currently works with 89 youth development nonprofits that collectively serve over 375,000 young people each year.

**Coaching:** Youth INC provides individualized coaching to help nonprofit leaders and their teams implement exemplary practices in key elements of organizational capacity:

- **Leadership:** Executive Directors, senior leaders, and emerging leaders build the leadership skills, organizational design, and culture needed to deepen their impact and sustainability over time.
- **Governance:** Boards build effective oversight and accountability for growth as organizations evolve to the next phase of maturity.
- **Impact Evaluation:** Program staff leverage data and evidence-based best practices to inform program design and improve youth outcomes in Social and Emotional Learning ("SEL"), which has been proven to drive academic, career and life success.
- **Strategy:** Executive Directors and senior leaders develop strategic plans and receive implementation support to sustain monitoring, evaluation, communication and change management effectiveness.
- **Operational Effectiveness:** Executive Directors, senior leaders and emerging leaders learn about timely and relevant topics to advance their organizations, including leadership, management, staffing, culture, organizational values, marketing and communications, and change management.
- **Fund Development:** Executive Directors and development staff develop an intentional and thoughtful revenue strategy by assessing their revenue model, strategy, organizational design, resource allocation and revenue culture needed to accomplish revenue goals.

**Capital:**

- **Youth INC Grantmaking:** Since 2020, Youth INC shifted its grantmaking practices from restricted funding for infrastructure to issuing unrestricted funding to our Nonprofit Partners.
- **Sponsored Grantmaking:** In addition to raising funds for its own grantmaking, Youth INC also receives funds to directly support some of our Nonprofit Partners.
- **Program Completion Grants:** Youth INC also provides program completion stipends to nonprofits when leaders complete our programs.

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 1 - Nature of the Organization - Continued

#### Connections:

- Board Placements: Youth INC trains corporate professionals on nonprofit board service and offers bespoke matching to the boards of its Nonprofit Partners.
- Advisory: Pro-bono partnerships between corporate and nonprofit partners leverage business best practices and provide financial, strategic, and organizational improvement.
- Partner Network: Peer exchange opportunities to strengthen best practices through a cohort-based program model and partner network-wide events.

Youth, INC's major source of revenue is contributions.

Youth INC is a nonprofit organization and has been notified by the Internal Revenue Service that they are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation.

### Note 2 - Summary of Significant Accounting Policies

#### a. Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

#### b. Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958 - *Presentation of Financial Statements of Not-For-Profit Entities*. FASB ASC 958 requires Youth INC to report information regarding its financial position and activities according to the following two classes of net assets:

- *Net Assets without Donor Restrictions* - represents all activity without donor-imposed restrictions. Youth INC's Board of Directors established an operating reserve fund and designated a minimum of four and a half months of operating expenses of unrestricted resources which are held in cash and cash equivalents.

Activity of the board designated fund was as follows:

	December 31,	
	2024	2023
Balance - beginning of year	\$ 1,755,000	\$ 1,809,000
Transfers in/(out)	477,000	(54,000)
Board designated fund - end of year	<u>\$ 2,232,000</u>	<u>\$ 1,755,000</u>

- *Net Assets with Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *c. Revenue Recognition*

Youth INC follows the requirements of FASB ASC 958-605 for recording contributions, which are recognized when considered unconditional in nature. Contributions that do not contain donor restrictions are recorded in the class of net assets without donor restrictions. Contributions that do contain donor restrictions are recorded in the class of net assets with donor restrictions. 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. If donor restricted contributions are satisfied in the same period they were received, they are classified in the class of net assets without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments, or releases from obligations, and are recognized as income once the conditions have been substantially met.

Contributions expected to be received within one year are recorded at net realizable value.

Government grants have been evaluated and are considered to be non-reciprocal; therefore, they are also treated as contributions under FASB ASC 958-605. In addition, government grants meet the criteria of being conditional. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved, and other conditions under the agreements are met. Payments received in advance of the conditions being met are treated as liabilities.

Special event revenue is comprised of payments received from third parties to support and/or attend fundraising events. Special event revenue includes an exchange transaction component for the value of the goods or services rendered, which follows revenue recognition guidance under FASB ASC 606. The amount paid by third parties that is above the value of the goods or services is considered a contribution. Revenue is recognized at the time the fundraising event occurs.

#### *d. Cash and Cash Equivalents*

Youth INC considers all liquid investments available for current use and with an initial maturity of three months or less to be cash and cash equivalents.

#### *e. Concentration of Credit Risk*

Financial instruments, which potentially subject Youth INC to a concentration of credit risk consist of cash and money market accounts which have been placed with financial institutions that management deems to be creditworthy. Youth INC maintains its cash balances in financial institutions which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 each. At times, balances may exceed federally insured limits. While at year end Youth INC had material uninsured balances, management feels they have little risk and has not experienced any losses due to bank failure.

#### *f. Allowance for Doubtful Accounts*

Youth INC evaluates contributions receivable for collectability based on historical experience and a review of activity subsequent to the statement of financial position date. An allowance of approximately \$0 and \$15,000 has been established for potential uncollectible receivables as of December 31, 2024 and 2023.

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *g. Capitalization Policy*

Property and equipment that exceed \$1,000 and have a useful life of greater than one year are recorded at cost or at fair value at the date of gift. Depreciation is computed using the straight-line method over the estimated useful life of the respective asset as follows:

- Furniture and fixtures - 5 to 7-year life
- Computers and software - 3 to 5-year life

Maintenance and repairs, which neither materially add to the value of the asset nor appreciably prolong its life are charged to expenses as incurred.

#### *h. Leases*

Youth INC determines if an arrangement is or contains a lease at inception. Right-of-use (“ROU”) assets and lease liabilities would be reflected at the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term.

Youth INC does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less).

Youth INC occupies a coworking space in New York under an operating lease that expires December 1, 2025. Youth INC has elected the practical expedient not to recognize lease liabilities and right-of-use assets for leases with a term of 12 months or less. Lease expense for such short-term leases totaled approximately \$53,000 and \$0 for the years ended December 31, 2024 and 2023, respectively.

#### *i. Grant Expenses*

Grants authorized but unpaid at year end are reported as liabilities. All grants outstanding are due to be paid within the following year.

#### *j. In-Kind Contributions and Donated Assets*

Donated marketable securities and other non-cash donations are recorded as contributions at their fair value on the date of donation. Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of services that assist Youth INC. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

Youth INC received donated professional services valued at \$562,472 and \$788,092 and donated facility use valued at \$960 and \$14,440 during the years ended December 31, 2024 and 2023, respectively. Contributed services and facilities are valued at the estimated fair value based on current rates for similar services or space usage.

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *k. Prior-Year Comparative Information*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Youth INC's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

#### *l. Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of Youth INC.

The following expenses were allocated using estimates of time and effort as the basis:

- Salaries, payroll taxes and benefits
- Office expenses
- Occupancy
- Insurance
- Other expenses
- Depreciation

All other expenses have been charged directly to the applicable program or supporting services.

#### *m. Advertising*

The cost of advertising is expensed as incurred.

#### *n. Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

#### *o. Accounting for Uncertainty of Income Taxes*

Youth INC does not believe its financial statements include any material uncertain tax positions. Tax filings for periods ending December 31, 2021 and later are subject to examination by applicable taxing authorities

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 3 - Contributions Receivable

Contributions receivable are expected in the following periods:

Year ending:

December 31, 2025	\$ 440,397
December 31, 2026	48,000
December 31, 2027	48,000
December 31, 2028	48,000
Total	<u>\$ 584,397</u>

Contributions receivable have not been discounted using present value techniques due to the immaterial nature of the discount.

### Note 4 - Property and Equipment

Property and equipment consist of the following:

	December 31,	
	2024	2023
Furniture and equipment	\$ 60,821	\$ 58,943
Software	41,895	41,895
	102,716	100,838
Less: accumulated depreciation	(79,918)	(54,189)
Total property and equipment, net	<u>\$ 22,798</u>	<u>\$ 46,649</u>

### Note 5 - Net Assets with Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

	December 31, 2024			
	Beginning Balance 1/1/24	Contributions	Released from Restrictions	Ending Balance 12/31/24
Program restricted:				
Rise Academy	\$ 275,000	\$ -	\$ (150,000)	\$ 125,000
Time restricted	380,081	-	(178,081)	202,000
Total	<u>\$ 655,081</u>	<u>-</u>	<u>\$ (328,081)</u>	<u>\$ 327,000</u>

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 5 - Net Assets with Donor Restrictions - Continued

	December 31, 2023			
	Beginning	Contributions	Released	Ending
	Balance		from	Balance
	1/1/23		Restrictions	12/31/23
Program restricted:				
Rise Academy	\$ 400,000	\$ -	\$ (125,000)	\$ 275,000
Time restricted	92,692	430,000	(142,611)	380,081
Total	<u>\$ 492,692</u>	<u>\$ 430,000</u>	<u>\$ (267,611)</u>	<u>\$ 655,081</u>

### Note 6 - Allocation of Joint Costs

Youth INC incurred expenses that were identifiable with a particular function but served joint purposes. Expenses related to certain events, donor call service, and program materials jointly support Youth INC's program and fundraising. These expenses were allocated as follows:

	12/31/24	12/31/23
Program services	\$ 640,624	\$ -
Fundraising	683,285	-
Total	<u>\$ 1,323,909</u>	<u>\$ -</u>

### Note 7 - Availability and Liquidity

The following reflects Youth INC's financial assets at December 31, 2024, that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:		
Cash and cash equivalents	\$ 4,333,221	
Contributions receivable - due within one year	<u>440,397</u>	
Total financial assets		\$ 4,773,618
Less amounts not available for general expenditures within one year:		
Program restrictions	(125,000)	
Board designated funds	<u>(2,232,000)</u>	
Total restricted funds		<u>(2,357,000)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 2,416,618</u>

# Youth, Improving Non-Profits for Children

## Notes to Financial Statements

December 31, 2024

### Note 7 - Availability and Liquidity - Continued

Youth INC regularly monitors liquidity required to meet its operating and grant making needs. Additionally, Youth INC's Board of Directors established an operating reserve fund, which designated a minimum of four and a half months of operating expenses of unrestricted resources to be included in reserves. The purpose of Youth INC's operating reserve fund is to help ensure the long-term financial stability of the mission, programs, employment, and ongoing operations of the organization. The operating reserve may only be spent with the prior approval of the Audit Committee of the Board of Directors.

### Note 8 - Special Events

A summary of gala events held by Youth INC are as follows:

	December 31,	
	2024	2023
Gross revenue	\$ 4,288,686	\$ -
Less: expenses with a direct benefit to donors	(273,624)	-
	4,015,062	-
Less: other event expense	(26,184)	-
Net fundraising events	<u>\$ 3,988,878</u>	<u>\$ -</u>

### Note 9 - Retirement Plan

Youth INC maintains a retirement plan under Internal Revenue Code section 401(k). The plan covers all employees who are at least 21 years of age. Youth INC makes a safe harbor contribution of 3% of eligible employees' salaries. Total contributions to the plan were \$101,833 and \$72,005 in 2024 and 2023, respectively.

### Note 10 - Subsequent Events

Subsequent events have been evaluated through June 24, 2025, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment to or disclosure to the financial statements.