Youth, Improving Non-Profits for Children

Audited Financial Statements

December 31, 2025

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C O N T E N T S

SAX

Services Provided by SAX LLP

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, 2025, 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, 2025, 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 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sax LLP

New York, NY
June 17, 2026

Youth, Improving Non-Profits for Children

Statement of Financial Position

As of December 31, 2025
(With comparative totals as of December 31, 2024)

	December 31,	
	2025	**2024**
ASSETS		
Cash and cash equivalents	$ 4,907,284	$ 4,333,221
Contributions receivable, net	587,948	584,397
Prepaid expenses and other assets	92,238	52,256
Property and equipment, net	5,971	22,798
Security deposit	3,300	3,300
TOTAL ASSETS	**$ 5,596,741**	**$ 4,995,972**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$ 201,351	$ 539,639
Grant expense payable	18,500	7,500
Total liabilities	219,851	547,139
NET ASSETS		
Without donor restrictions		
For operations	3,114,442	1,889,833
Board designated operating reserve	1,894,500	2,232,000
Total without donor restrictions	5,008,942	4,121,833
With donor restrictions	367,948	327,000
Total net assets	5,376,890	4,448,833
TOTAL LIABILITIES AND NET ASSETS	**$ 5,596,741**	**$ 4,995,972**

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, 2025
(With comparative totals for the year ended December 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	Total 12/31/25	Total 12/31/24
PUBLIC SUPPORT AND REVENUE				
Contributions and grants	$ 2,379,786	$ 328,948	$ 2,708,734	$ 1,687,839
Special events (net of expenses with a direct benefit to donors)	2,932,910	-	2,932,910	4,015,062
Government grant - employee retention tax credit	108,407	-	108,407	-
In-kind contributions	632,232	-	632,232	563,432
Interest income	125,028	-	125,028	90,114
Net assets released from restrictions	288,000	(288,000)	-	-
Total public support and revenue	6,466,363	40,948	6,507,311	6,356,447
EXPENSES				
Program services	3,782,889	-	3,782,889	4,138,269
Supporting services:				
Management and general	1,101,415	-	1,101,415	1,196,318
Fundraising	694,950	-	694,950	910,558
Total supporting services	1,796,365	-	1,796,365	2,106,876
Total expenses	5,579,254	-	5,579,254	6,245,145
Change in net assets	**887,109**	**40,948**	**928,057**	**111,302**
NET ASSETS, ***beginning of year***	4,121,833	327,000	4,448,833	4,337,531
NET ASSETS, ***end of year***	**$ 5,008,942**	**$ 367,948**	**$ 5,376,890**	**$ 4,448,833**

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, 2025
(With comparative totals for the year ended December 31, 2024)

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Supporting Services: Total Supporting Services	Total Expenses 12/31/25	Total Expenses 12/31/24
Salaries, payroll taxes and benefits	$ 2,261,369	$ 563,999	$ 557,764	$ 1,121,763	$ 3,383,132	$ 4,258,362
Professional fees	88,395	295,338	17,158	312,496	400,891	291,327
Consultants	416,178	581	72	653	416,831	389,249
Grant expenses	203,875	-	-	-	203,875	286,500
Office expenses	110,068	40,393	29,291	69,684	179,752	171,572
Occupancy	41,573	10,629	10,629	21,258	62,831	54,288
Travel and meetings	63,235	24,739	17,131	41,870	105,105	71,336
Insurance	15,180	3,561	3,171	6,732	21,912	16,203
Production costs	46,493	-	288,801	288,801	335,294	328,557
In-kind professional expenses	490,351	124,439	14,442	138,881	629,232	562,472
In-kind use of facilities	-	-	3,000	3,000	3,000	960
Other expenses	34,514	10,002	24,710	34,712	69,226	54,523
Bad debt expenses	-	25,000	-	25,000	25,000	7,690
Depreciation	11,658	2,734	2,435	5,169	16,827	25,730
Total expenses	3,782,889	1,101,415	968,604	2,070,019	5,852,908	6,518,769
Less: direct special event expenses netted with revenue	-	-	(273,654)	(273,654)	(273,654)	(273,624)
Total expenses for statement of activities	**$ 3,782,889**	**$ 1,101,415**	**$ 694,950**	**$ 1,796,365**	**$ 5,579,254**	**$ 6,245,145**

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, 2025
(With comparative totals for the year ended December 31, 2024)

	December 31,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 928,057	$ 111,302
Adjustments to reconcile change in net assets to net cash used for operating activities:		
Depreciation	16,827	25,730
Changes in assets and liabilities:		
Contributions receivable, net	(3,551)	618,217
Prepaid expenses and other assets	(39,982)	162,427
Security deposit	-	115,843
Accounts payable and accrued expenses	(338,288)	474,254
Grant expense payable	11,000	(500)
Total adjustments	(353,994)	1,395,971
Net cash provided by operating activities	**574,063**	**1,507,273**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(1,879)
Net cash used for investing activities	**-**	**(1,879)**
Net increase in cash and cash equivalents	**574,063**	**1,505,394**
CASH AND CASH EQUIVALENTS, *beginning of year*	4,333,221	2,827,827
CASH AND CASH EQUIVALENTS, *end of year*	**$ 4,907,284**	**$ 4,333,221**
SUPPLEMENTAL CASH FLOW INFORMATION		
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, 2025

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.

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, 2025	December 31, 2024
Balance - beginning of year	$ 2,232,000	$ 1,755,000
Transfers (out)/in	(337,500)	477,000
Board designated fund - end of year	$ 1,894,500	$ 2,232,000

➢ *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.

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.

Note 2 - Summary of Significant Accounting Policies - Continued

f. Allowance for Doubtful Accounts

Youth INC evaluates contributions receivable for collectability based on historical experience. An allowance of approximately $0 has been established for potential uncollectible receivables as of December 31, 2025 and 2024.

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 a short-term operating lease which expires November 30, 2026. Lease expense for the short-term lease totaled approximately $63,000 and $53,000 for the years ended December 31, 2025 and 2024, 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.

Note 2 - Summary of Significant Accounting Policies - Continued

j. In-Kind Contributions and Donated Assets - Continued

Youth INC received donated professional services valued at $629,232 and $562,472 and donated facility use valued at $3,000 and $960 during the years ended December 31, 2025 and 2024, respectively. Contributed services and facilities are valued at the estimated fair value based on current rates for similar services or space usage.

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, 2024, 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.

Note 2 - Summary of Significant Accounting Policies - Continued

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, 2022 and later are subject to examination by applicable taxing authorities.

Note 3 - Contributions Receivable, Net

Contributions receivable are expected in the following periods:

Year ending:	
December 31, 2026	$ 373,000
December 31, 2027	141,000
December 31, 2028	45,000
Thereafter	100,000
	659,000
Present value discount (4.39% - 4.62%)	(71,052)
Total contributions receivable, net	$ 587,948

Note 4 - Property and Equipment

Property and equipment consist of the following:

	December 31,	
	2025	2024
Furniture and equipment	$ 60,821	$ 60,821
Software	41,895	41,895
	102,716	102,716
Less: accumulated depreciation	(96,745)	(79,918)
Total property and equipment, net	$ 5,971	$ 22,798

Note 5 - Net Assets with Donor Restrictions

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

	December 31, 2025			
	Beginning Balance 1/1/25	Contributions	Released from Restrictions	Ending Balance 12/31/25
Program restricted:				
Rise Academy	$ 125,000	$ -	$ (125,000)	$ -
Time restricted	202,000	328,948	(163,000)	367,948
Total	$ 327,000	328,948	$ (288,000)	$ 367,948

Note 5 - Net Assets with Donor Restrictions - Continued

	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	$ 655,081	$ -	$ (328,081)	$ 327,000

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:

	December 31,	
	2025	2024
Program services	$ 510,140	$ 640,624
Fundraising	332,138	683,285
Total	$ 842,278	$ 1,323,909

Note 7 - Availability and Liquidity

The following reflects Youth INC's financial assets at December 31, 2025, that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:		
Cash and cash equivalents	$ 4,907,284	
Contributions receivable - due within one year	373,000	
Total financial assets		$ 5,280,284
Less amounts not available for general expenditures within one year:		
Board designated funds	(1,894,500)	
Total restricted funds		(1,894,500)
Financial assets available to meet cash needs for general expenditures within one year		$ 3,385,784

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,	
	2025	2024
Gross revenue	$ 3,206,564	$ 4,288,686
Less: expenses with a direct benefit to donors	(273,654)	(273,624)
	2,932,910	4,015,062
Less: other event expense	(142,741)	(26,184)
Net fundraising events	$ 2,790,169	$ 3,988,878

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 $76,536 and $101,833 in 2025 and 2024, respectively.

Note 10 - Subsequent Events

Subsequent events have been evaluated through June 17, 2026 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.