

# HUCKLEBERRY YOUTH PROGRAMS, INC.

## **FINANCIAL STATEMENTS**

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June 30, 2025

(With Summarized Comparative Totals for 2024)

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Huckleberry Youth Programs, Inc.  
San Francisco, California

### **Opinion**

We have audited the accompanying financial statements of Huckleberry Youth Programs, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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 financial statements referred to above present fairly, in all material respects, the financial position of Huckleberry Youth Programs, Inc. (the Organization) as of June 30, 2025, and the changes in its 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' 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 auditors' 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 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 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 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 the Organization'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 the Organization'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 the Organization's 2024 financial statements, and we expressed an unmodified audit opinion on those statements in our report dated January 7, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Long Beach, California  
January 20, 2026

HUCKLEBERRY YOUTH PROGRAMS, INC.

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)

ASSETS

	2025	2024
<b>ASSETS</b>		
Cash	\$ 2,818,862	\$ 2,098,803
Government grants receivable	2,257,938	2,509,543
Contributions receivable	1,409,000	262,000
Prepaid expenses and other current assets	224,257	163,418
Deposits	27,052	26,952
Operating lease right-of-use assets, net	2,009,379	2,488,350
Property and equipment, net	345,632	389,452
<b>TOTAL ASSETS</b>	<b>\$ 9,092,120</b>	<b>\$ 7,938,518</b>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 87,486	\$ 226,881
Accrued liabilities	736,487	679,201
Advances received	155,143	422,690
Operating lease liabilities	2,217,159	2,703,662
	<u>3,196,275</u>	<u>4,032,434</u>

CONTINGENCIES (Note 12)

NET ASSETS

Without donor restrictions	3,104,881	2,766,579
With donor restrictions	2,790,964	1,139,505
Total net assets	<u>5,895,845</u>	<u>3,906,084</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,092,120</b>	<b>\$ 7,938,518</b>
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The accompanying notes are an integral part of these financial statements.

HUCKLEBERRY YOUTH PROGRAMS, INC.

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2025	2024
<b>REVENUE AND SUPPORT</b>				
Government grants	\$ 6,152,682	\$ -	\$ 6,152,682	\$ 6,372,160
Contributions	1,345,397	3,543,629	4,889,026	2,281,311
Special events revenue	239,523	-	239,523	208,706
Other income	86,489	-	86,489	48,237
Net assets released from restrictions	1,892,170	(1,892,170)	-	-
Total revenue and support	9,716,261	1,651,459	11,367,720	8,910,414
<b>EXPENSES</b>				
Program	7,429,888	-	7,429,888	6,891,255
Management and general	1,001,975	-	1,001,975	1,127,451
Fundraising	946,096	-	946,096	797,546
Total expenses	9,377,959	-	9,377,959	8,816,252
<b>CHANGE IN NET ASSETS</b>	338,302	1,651,459	1,989,761	94,162
<b>NET ASSETS, BEGINNING OF YEAR</b>	2,766,579	1,139,505	3,906,084	3,811,922
<b>NET ASSETS, END OF YEAR</b>	\$ 3,104,881	\$ 2,790,964	\$ 5,895,845	\$ 3,906,084

The accompanying notes are an integral part of these financial statements.

HUCKLEBERRY YOUTH PROGRAMS, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)

		Management		Total	
	Program	and General	Fundraising	2025	2024
Personnel expenses					
Salaries	\$ 4,864,573	\$ 568,323	\$ 615,522	\$ 6,048,418	\$ 5,593,916
Taxes and benefits	1,080,708	105,095	132,967	1,318,770	1,166,968
Total personnel expenses	5,945,281	673,418	748,489	7,367,188	6,760,884
Professional services	86,508	122,813	36,921	246,242	268,811
Subcontracts	172,830	-	-	172,830	228,449
Occupancy and office expenses	953,399	198,636	156,031	1,308,066	1,228,670
Travel, meetings, and professional development	92,641	6,924	4,655	104,220	83,730
Direct client assistance	179,229	184	-	179,413	245,708
Total expenses	<u>\$ 7,429,888</u>	<u>\$ 1,001,975</u>	<u>\$ 946,096</u>	<u>\$ 9,377,959</u>	<u>\$ 8,816,252</u>

The accompanying notes are an integral part of these financial statements.

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,989,761	\$ 94,162
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	43,821	47,815
Changes in operating assets and liabilities:		
Government grants receivable	251,605	(359,346)
Contributions receivable	(1,147,000)	(54,000)
Prepaid expenses and other current assets	(60,839)	(15,204)
Deposits	(100)	-
Accounts payable	(139,395)	124,557
Accrued liabilities	57,286	76,537
Advances received	(267,547)	422,690
Operating lease right-of-use assets and liabilities	(7,533)	212
Net Cash Provided By Operating Activities	<u>720,059</u>	<u>337,423</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	<u>-</u>	<u>(48,352)</u>
Net Cash Used In Investing Activities	<u>-</u>	<u>(48,352)</u>
<b>NET CHANGE IN CASH</b>	720,059	289,071
<b>CASH AT BEGINNING OF YEAR</b>	<u>2,098,803</u>	<u>1,809,732</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 2,818,862</u>	<u>\$ 2,098,803</u>

The accompanying notes are an integral part of these financial statements.



## HUCKLEBERRY YOUTH PROGRAMS, INC.

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

#### NOTE 1 – Nature of Operations

Huckleberry Youth Programs, Inc. (“Huckleberry” or “the Organization”) is a California nonprofit public benefit corporation organized to provide services to adolescents, young adults, and their families located in San Francisco and Marin counties. Founded on the belief that adolescence is a dynamic and challenging time of life, the Organization’s mission is to educate, inspire, and support youth to develop healthy life choices, maximize their potential, and realize their dreams.

#### *Program Services*

Huckleberry House - The agency began in 1967 with the creation of Huckleberry House, the first adolescent crisis shelter in the country and the model for all adolescent shelters funded by the federal Runaway and Homeless Youth Act. Huckleberry House was developed as a community response to the large number of young people who came to San Francisco in the late 1960s, some of whom were fleeing from difficult situations and needed help on the road to becoming healthy, responsible adults.

Huckleberry House is a primary service location in San Francisco for young people ages 12-17 (and 18 year olds enrolled in school) who are experiencing instability in their lives and housing situations. Our primary goal at Huckleberry House is to ensure these youth are provided a safe space to identify next steps, learn about resources, and develop new skills. We do this by providing short term shelter, case management, linkage to resources, individual and family therapy, crisis phone line counseling, and aftercare services. Youth who stay in the program also have access to basic needs such as food, hygiene supplies, educational supplies, and clothing. Recreation and life skills activities are also incorporated into the shelter program. The shelter provides services to an average of 160 youth annually.

San Francisco Counseling Services - Youth who engage in services at any of our San Francisco programs have access to mental health treatment. This includes comprehensive assessments, individual adolescent therapy, family therapy including reunification and family preservation services, and clinical case management. Over the course of a year, these services were provided to 228 youth ages 12-24 and their families.

HUCKLEBERRY YOUTH PROGRAMS, INC.

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

NOTE 1 – Nature of Operations (Continued)

*Program Services (Continued)*

Huckleberry ACE Academy - Huckleberry Access to College Equity (“ACE”) Academy is a college access and career program that prepares motivated first-generation youth for matriculation into post-secondary pathways and careers. In 2024, the program supported 116 high-potential youth in high school or their first two years of college. The Huckleberry ACE Academy provides academic assistance, exposure to careers, professional panels, college trips, individualized case management, financial aid application assistance, college counseling, and wraparound support services. One hundred percent of senior participants graduated from high school and one hundred percent of graduating participants are expected to enroll in a post-secondary institution.

Huckleberry Youth Health Center - The Huckleberry Youth Health Center is a partnership with the San Francisco Department of Public Health to provide youth ages 12-24 with comprehensive health, confidential reproductive health and wellness services. Program components include: an adolescent health clinic staffed by the San Francisco Department of Public Health, therapy services, case management for youth 16-24, health education, substance use groups, and basic needs distribution.

Seeds of Change (SEEDS) - Huckleberry’s SEEDS is dedicated to disrupting the school-to-prison pipeline by empowering middle school students and their families to reconnect with school, ensuring a smooth transition to high school, and providing the necessary tools for a successful path toward graduation while avoiding involvement in the juvenile legal system. SEEDS four core program components include: individualized case management; academic assistance; social and emotional learning, development and mental health services; and caregiver education and school-system navigation support. Huckleberry SEEDS is a community-based partner within the San Francisco Youth Justice Initiative, which is a multi-pronged strategy with community-based and legal partners to support middle school students in their schools and prevent them from entering the juvenile delinquency system.

HUCKLEBERRY YOUTH PROGRAMS, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – Nature of Operations (Continued)

*Program Services (Continued)*

Community Assessment and Resource Center – Huckleberry's Community Assessment and Resource Center ("CARC") is considered one of the most successful community-based juvenile justice diversion programs in the United States of America. Managed by Huckleberry for the city and county of San Francisco, CARC provides a single point of entry for crisis intervention, assessment, service integration, and rehabilitation for 356 youth - about one third of the youth arrested annually in the county. CARC case managers have successfully worked with youth to reintegrate them into schools, arrange for special education services, obtain mental health services, complete community service and probation requirements, and engage youth in social, arts, athletic, and youth development programs.

Huckleberry Teen Health Program - Huckleberry Teen Health Program ("HTHP") is the primary provider of health access, safe and inclusive care, youth development, and other support services for youth in Marin County. Services include weekly teen clinics in San Rafael, health workshops offered in schools and community sites, individual and family counseling, and case management. Huckleberry is one of the agencies providing Prevention and Early Intervention service through County of Marin's Behavioral Health and Recovery Services division. Many of HTHP's 2,400 clients served annually are from the Canal District of San Rafael. The primary ethnic group in the Canal District is Latino, including recent immigrants from Mexico and Central America. Huckleberry's Marin services are located across the street from San Rafael High School.

Huckleberry Advocacy and Response Team - Huckleberry's Advocacy and Response Team (HART) provides advocacy and direct practice services to youth ages 11-24 who are vulnerable to or experiencing commercial sexual exploitation, involved in sex trafficking, or engaging in survival sex. Using a relationship-driven, empowerment, and client-centered approach, HART engaged 92 youth most disconnected from systems with the goal of re-engaging them with providers and connecting them to their community. Program services include: case management and linkage to resources, basic needs support, individual and family therapy, 24 hour rapid response line (in conjunction with San Francisco Child Welfare), prevention groups, and case consultation and training for providers.

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**NOTE 2 – Summary of Significant Accounting Policies**

***Basis of Accounting and Presentation***

The financial statements of the Organization are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Organization presents information about its net assets and activities by two net asset classes: without donor restrictions and with donor restrictions.

Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions as follows:

*Net Assets Without Donor Restrictions* - Net assets which have not been specifically restricted by a donor. Net assets without donor restrictions may be designated for specific purposes by the Organization or may be limited by contractual agreements with outside parties.

*Net Assets With Donor Restrictions* - Net assets subject to donor-imposed stipulations that may be met by actions of the Organization and/or the passage of time. As restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions. Other donor stipulations are perpetual in nature. See Note 4 regarding the Organization's net assets with restrictions that are perpetual in nature.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

***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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 – Summary of Significant Accounting Policies (Continued)**

***Cash and Cash Equivalents***

Cash equivalents are all highly liquid investments with a maturity of three months or less when purchased, unless held for reinvestment as part of the investment portfolio, pledged to secure loan agreements or otherwise restricted or designated. The carrying amount approximates fair value because of the short maturity of those instruments. There were no cash equivalents for the years ended June 30, 2025 and 2024.

***Contributed Nonfinancial Assets and Services***

Contributed nonfinancial assets and services are recognized at fair value as contribution revenue and expense at the time of donation. Fair value is determined using Level 3 management estimates and similar third-party data. Contributed nonfinancial services were recognized as contributions and management and general expenses during the years ended June 30, 2025 and 2024.

***Fair Value***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair value of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

*Level 1* - Inputs are quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

*Level 2* - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

*Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs reflect the Organization’s own assumptions about the assumptions market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Organization’s own data.

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 – Summary of Significant Accounting Policies (Continued)**

***Government Grants and Contributions Receivable***

Government grants and contributions receivable represent amounts due from government agencies and donors. Receivable balances with charges over 30 days old are considered delinquent and management begins collection efforts at this time. Delinquent receivables do not accrue interest. The Organization continually monitors each receivable and allowances for estimated bad debts on receivable balances that are deemed no longer collectible. The Organization adjusts any allowance for subsequent collections and final determination that a receivable is no longer collectible. There was no allowance considered necessary at June 30, 2025 and 2024.

Government grants and contributions are recognized as contribution revenue in the period unconditional promises to give are received. The Organization reports contributions as net assets with donor restrictions if they are received with donor stipulations as to their use, or if the contribution contains an implied time restriction. They are initially reported as net assets with donor restrictions, even if it is anticipated such restrictions will be met in the current reporting period. Conditional promises to give for restricted purposes are presented as contributions without donor restrictions if the condition and restriction are met in the same reporting period. Conditional promises to give of approximately \$11,300,000 are not included on the statement of activities and will be recognized when such conditions are substantially met in future years by incurring qualifying costs within a budgeted target. If contributions are received without donor stipulations or an implied time restriction, they are considered unrestricted funds and are included as part of the Organization's net assets without donor restrictions. For the year ended June 30, 2025, approximately 54% of total revenue and support was from various government grants. Most of these grants are reimbursement grants, requiring the Organization to incur expense prior to revenue recognition. Amounts received prior to incurring qualifying expenditures or fulfilling the specific performance obligations are reported as advances received in the statement of financial position. Advances received totaled \$155,143 at June 30, 2025.

***Special Events***

Special events revenue relates to the Organization's in-person fundraising events. The Organization held two such events during the year ended June 30, 2025. Revenue generated from special events was \$239,523 for the year ended June 30, 2025. Direct expenses of the events was \$44,272 for the year ended June 30, 2025, and is included in fundraising expenses on the statement of functional expenses.

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 – Summary of Significant Accounting Policies (Continued)**

***Functional Expense Classification***

The Organization charges and allocates its expenses on a functional basis among its program and support services. Expenses that can be identified with the respective program or support service are assigned directly. Expenses common to several functions are allocated based on square footage.

***Income Taxes***

The Organization is exempt from federal and California income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. As such, the Organization qualifies for the maximum charitable contribution deduction by donors. As of and for the year ended June 30, 2025, the Organization had no unrecognized tax benefits, tax penalties, or interest. The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations is three years for federal purposes and four years for California.

***Concentrations and Credit Risk***

Financial instruments which potentially subject the Organization to credit risk consist principally of cash, various accounts, government grants receivable, and contributions receivable. The Organization's cash is maintained in demand deposits and in money funds in high quality financial institutions. At times, such cash may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk on its cash. The Organization generally does not maintain collateral for its receivable balances, and does not believe significant credit risk exists at June 30, 2025. Three agencies represented 63% of total government grants receivable at June 30, 2025. Two donors accounted for 78% of contributions receivable at June 30, 2025.

HUCKLEBERRY YOUTH PROGRAMS, INC.

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Property and Equipment*

Property and equipment purchased by the Organization are recorded at cost. The Organization follows the practice of capitalizing all expenditures for land, buildings, and equipment over \$5,000 with a useful life greater than one year. The fair value of all donated property and equipment is similarly capitalized. Depreciation has been provided on the straight-line method based on the useful lives of the assets as follows:

Buildings	30 years
Building improvements	7 to 19 years
Leasehold improvements	5 to 10 years
Furniture and equipment	3 to 7 years
Vehicles	5 years

*Leasing Arrangements*

The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization's policy for determining its lease discount rate used for measuring lease liabilities is to use the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, then the Organization has elected to use its incremental borrowing rate or the risk-free discount rate, as permitted by U.S. GAAP, determined using a period comparable with that of the lease term.

The Organization has elected a policy to account for short-term leases, defined as any lease with a term less than 12 months, by recognizing all components of the lease payment in the statement of activities in the period in which the obligation for the payments is incurred.

*Subsequent Events*

Subsequent events have been evaluated through January 20, 2026, which is the date the financial statements were available to be issued.



**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 – Contributions Receivable**

Unconditional promises to give are estimated to be collected as follows at June 30, 2025:

Within one year	\$ 259,000
In one to five years	<u>1,150,000</u>
Total contributions receivable	<u>\$ 1,409,000</u>

Management evaluated the need for a discount on long-term receivables and determined the discount would be insignificant.

**NOTE 4 – Property and Equipment**

Property and equipment consisted of the following at June 30, 2025:

Land	\$ 113,419
Buildings	150,338
Building improvements	385,168
Leasehold improvements	503,740
Furniture and equipment	245,671
Vehicles	<u>170,864</u>
	1,569,200
Less accumulated depreciation	<u>(1,223,568)</u>
Net property and equipment	<u>\$ 345,632</u>

The Organization owns land with a cost basis of \$77,437 that is subject to a donor's restriction that the land be used for the Organization's programs in perpetuity.

Depreciation expense was \$43,821 for the year ended June 30, 2025 and are included in other occupancy and offices expenses on the statement of functional expenses.

HUCKLEBERRY YOUTH PROGRAMS, INC.

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

**NOTE 5 – Accrued Unemployment Liability**

The Organization has elected to be self-insured through a multi-employer plan for the purposes of California State Unemployment Insurance. The estimated accrued unemployment liability of \$30,000 represents estimated future claims limited by the plan's stop-loss policy. Unemployment insurance expense was \$6,463 for the year ended June 30, 2025.

**NOTE 6 – Line of Credit**

The Organization has a bank line of credit with a maximum borrowing limit of \$500,000. The line of credit is secured by the Organization's assets with interest payable monthly at 3.25% and expires in June 2031. There was no outstanding balance at June 30, 2025.

**NOTE 7 – Net Assets With Donor Restrictions**

Net assets with donor restrictions are subject to donor-imposed stipulations that will be met by either actions of the Organization and/or the passage of time. At June 30, 2025 and 2024, net assets with donor restrictions consisted of the following:

	<u>2024</u>	<u>Additions</u>	<u>Releases</u>	<u>2025</u>
ACE Academy	\$ 253,693	\$ 138,133	\$ (331,046)	\$ 60,780
Justice Initiative	-	1,650,000	(232,259)	1,417,741
Counseling	100,000	25,000	(125,000)	-
Huckleberry House	212,482	132,500	(260,044)	84,938
Land - perpetual use for programs	77,437	-	-	77,437
Teen Health	343,893	457,996	(487,821)	314,068
Time restriction	<u>152,000</u>	<u>1,140,000</u>	<u>(456,000)</u>	<u>836,000</u>
Net assets with donor restrictions	<u>\$ 1,139,505</u>	<u>\$ 3,543,629</u>	<u>\$ (1,892,170)</u>	<u>\$ 2,790,964</u>

**HUCKLEBERRY YOUTH PROGRAMS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 – Liquidity and Availability**

Financial assets available for general expenditures within one year of the statement of financial position date consisted of the following:

Financial assets:	
Cash	\$ 2,818,862
Government grants receivable	2,257,938
Contributions receivable	<u>1,409,000</u>
Total financial assets	<u>6,485,800</u>
Less amounts unavailable for general expenditures within one year due to:	
Net assets with donor restrictions	<u>(2,790,964)</u>
Total financial assets available for general expenditures within one year	<u>\$ 3,694,836</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

The Organization has a \$500,000 line of credit available to meet cash needs that matures in June 2031. There were no draws outstanding on the line of credit at June 30, 2025.

**NOTE 9 – Leases**

The Organization leases its office spaces under operating leases with expiration dates up to June 2038. The arrangements provide for minimum lease payments. Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease asset and liability. The lease agreements do not include any material residual value guarantees or restrictive covenants.

# HUCKLEBERRY YOUTH PROGRAMS, INC.

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2025

### NOTE 9 – Leases (Continued)

The components of operating lease expenses that are included in occupancy and office expenses in the statement of functional expenses are as follows at June 30, 2025:

Operating leases	\$ 478,970
Variable lease costs	<u>77,522</u>
	<u>\$ 556,492</u>

The following summarizes the cash flow information related to leases for the year ended June 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	\$ 561,635

The weighted-average remaining lease term and discount rate for the operating leases as of June 30, 2025 were as follows:

Weighted-average remaining lease term	7.76 years
Weighted-average discount rate	3.09%

The maturities of operating lease liabilities as of June 30, 2025 are as follows:

<u>Year Ending June 30,</u>	
2026	\$ 576,861
2027	426,793
2028	437,981
2029	93,644
2030	96,762
Thereafter	<u>886,253</u>
	2,518,294
Less amount representing interest	<u>(301,135)</u>
Total minimum lease payments	<u>\$ 2,217,159</u>

## HUCKLEBERRY YOUTH PROGRAMS, INC.

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2025

#### NOTE 10 – Retirement Plan

Pursuant to Section 403(b) of the Internal Revenue Code, the Organization contributes to a tax- sheltered annuity plan (the “Plan”) for qualifying employees. The Organization made no employer contributions to the Plan during the year ended June 30, 2025.

#### NOTE 11 – Program Expenses

Program expenses were applied to programs for the year ended June 30, 2025 as follows:

	<u>Huckleberry House</u>	<u>Huckleberry ACE Academy</u>	<u>Justice Initiative</u>	<u>Huckleberry Youth Health Center</u>	<u>Huckleberry Advocacy &amp; Response Team</u>	<u>Huckleberry Teen Health Program</u>	<u>Community Assessment &amp; Resource Center</u>	<u>Total Program</u>
Personnel expenses								
Salaries	\$ 1,189,613	\$ 345,447	\$ 215,702	\$ 809,046	\$ 526,852	\$ 865,335	\$ 912,578	\$ 4,864,573
Employer taxes and benefits	<u>320,283</u>	<u>73,089</u>	<u>38,537</u>	<u>187,099</u>	<u>88,828</u>	<u>172,278</u>	<u>200,594</u>	<u>1,080,708</u>
Total personnel expenses	1,509,896	418,536	254,239	996,145	615,680	1,037,613	1,113,172	5,945,281
Professional services	27,886	2,811	1,606	10,094	6,347	24,845	12,919	86,508
Subcontracts	-	-	-	-	-	-	172,830	172,830
Occupancy and office expenses	95,073	97,067	31,946	183,938	164,051	153,122	228,202	953,399
Travel, meetings, and professional development	19,735	5,511	3,017	14,058	11,886	24,850	13,584	92,641
Direct client assistance	<u>40,852</u>	<u>45,733</u>	<u>186</u>	<u>22,495</u>	<u>33,018</u>	<u>24,134</u>	<u>12,811</u>	<u>179,229</u>
Total expenses	<u>\$ 1,693,442</u>	<u>\$ 569,658</u>	<u>\$ 290,994</u>	<u>\$ 1,226,730</u>	<u>\$ 830,982</u>	<u>\$ 1,264,564</u>	<u>\$ 1,553,518</u>	<u>\$ 7,429,888</u>

#### NOTE 12 – Contingencies

The Organization receives a portion of its revenue from government grants and contracts, all of which are subject to governmental audit. The ultimate determination of amounts received under these programs is generally based upon allowable costs reported to and audited by the government. Should such an audit disclose any unallowable costs, the Organization may be liable to the government for reimbursement of such costs and any associated penalties and interest.