

• **Financial Statements**

• **Youth Advocate
Services**

• June 30, 2022 and 2021



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To the Board of Directors
Youth Advocate Services
Columbus, Ohio

Independent Auditor's Report

Opinion

We have audited the accompanying financial statements of Youth Advocate Services, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years 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 Advocate Services as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Advocate Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Advocate Services' ability to continue as a going concern within one year after the date that the financial statements are issued or 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 Advocate Services' 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 Advocate Services' 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.

GBQ Partners LLC

Columbus, Ohio
October 19, 2022

YOUTH ADVOCATE SERVICES

Statements of Financial Position June 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,344,769	\$ 1,408,484
Investments	365,835	420,019
Accounts receivable, net	300,670	311,447
Prepaid expenses	72,248	73,985
Total current assets	2,083,522	2,213,935
Property and Equipment		
Leasehold improvements	310,907	310,907
Furniture and fixtures	202,657	202,657
Total property and equipment	513,564	513,564
Less: accumulated depreciation	(163,169)	(110,293)
Property and equipment, net	350,395	403,271
Other Assets		
Beneficial interest in assets held by foundation	25,021	27,835
Deposits	12,636	23,299
TOTAL ASSETS	\$ 2,471,574	\$ 2,668,340
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 32,193	\$ 41,160
Copier lease buyout	-	11,470
Accrued payroll and other liabilities	196,944	189,026
Current portion of tenant improvement allowance	27,737	27,737
Current portion of note payable	16,210	16,102
Total current liabilities	273,084	285,495
Long-Term Liabilities		
Tenant improvement allowance, net of current portion	208,026	238,074
Note payable, net of current portion	16,241	33,395
	224,267	271,469
Net assets - without donor restrictions	1,974,223	2,111,376
TOTAL LIABILITIES AND NET ASSETS	\$ 2,471,574	\$ 2,668,340

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

YOUTH ADVOCATE SERVICES

Statements of Activities and Changes in Net Assets

For the Years Ended June 30, 2022 and 2021

	2022	2021
Changes in Net Assets without Donor Restrictions		
Operating Revenues and Support		
Franklin County Children Services/other placements	\$ 2,442,013	\$ 2,513,214
Help Me Grow Grant	425,015	425,014
Mental Health	211,133	272,910
Contributions	25,773	15,867
Training revenue	83,291	37,758
Home Visiting	17,079	102,570
Total operating revenues and support	<u>3,204,304</u>	<u>3,367,333</u>
Operating Expenses		
Program expenses:		
Foster Care	1,982,948	2,034,283
Early Intervention	420,854	413,000
Home Visiting	22,693	144,358
Mental Health	179,612	164,990
Total program expenses	<u>2,606,107</u>	<u>2,756,631</u>
General and administrative	667,222	570,470
Fund-raising expenses	11,613	10,317
Total operating expenses	<u>3,284,942</u>	<u>3,337,418</u>
Change in net assets without donor restrictions from operations	(80,638)	29,915
Other Income and Expenses		
Unrealized/realized (loss) gain on investments	(58,662)	82,878
Interest income, net	2,147	4,798
Total other income	<u>(56,515)</u>	<u>87,676</u>
Change in Net Assets without Donor Restrictions	(137,153)	117,591
Net Assets - Beginning of Period-Unrestricted	2,111,376	1,993,785
Net Assets - End of Period-Unrestricted	\$ 1,974,223	\$ 2,111,376

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

YOUTH ADVOCATE SERVICES

Statements of Functional Expenses For the Year Ended June 30, 2022



	Program Services				Supporting Services		2022 Total	2021 Total
	Foster Care	Early Intervention	Home Visiting	Mental Health	Administrative	Fundraising		
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ 52,876	\$ -	\$ 52,876	\$ 38,826
Rent - building	67,281	23,639	1,852	8,783	21,056	-	122,611	116,985
Fringe benefits	40,771	40,647	(2,988)	14,021	33,969	-	126,420	144,813
Insurance	-	-	-	-	78,507	-	78,507	64,213
Meetings	-	-	-	-	-	-	-	16
Membership dues	5,706	92	939	1,598	15,089	175	23,599	13,131
Minor equipment	6,932	2,446	270	1,101	2,160	-	12,909	28,590
Miscellaneous	7,183	1,624	(5,502)	420	3,741	11,419	18,885	41,005
Office	9,158	6,190	220	1,568	7,009	19	24,164	22,157
Payroll taxes	37,531	25,305	2,681	7,888	26,115	-	99,520	92,507
Pension	2,970	239	144	1,013	60,702	-	65,068	6,688
Professional fees	76,779	20,005	1,570	40,501	38,271	-	177,126	173,332
Foster per diem	1,284,954	-	-	-	-	-	1,284,954	1,368,668
Recruitment	14,579	6,527	-	262	259	-	21,627	14,344
Training	36,470	-	-	-	2,034	-	38,504	23,815
Salaries	328,823	288,042	21,652	98,278	319,322	-	1,056,117	1,116,466
Communications	13,828	5,043	380	2,031	4,851	-	26,133	40,286
Travel	19,497	159	1,398	1,816	473	-	23,343	11,536
Youth programming	27,946	-	-	-	-	-	27,946	14,058
Building maintenance	2,540	896	77	332	788	-	4,633	5,982
TOTAL	\$ 1,982,948	\$ 420,854	\$ 22,693	\$ 179,612	\$ 667,222	\$ 11,613	\$ 3,284,942	\$ 3,337,418

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

YOUTH ADVOCATE SERVICES

Statements of Functional Expenses For the Year Ended June 30, 2021



	Program Services				Supporting Services		2021 Total
	Foster Care	Early Intervention	Home Visiting	Mental Health	Administrative	Fundraising	
Depreciation	\$ -	\$ -		\$ -	\$ 38,826	\$ -	\$ 38,826
Rent - building	41,491	13,277	4,764	6,158	51,295	-	116,985
Fringe benefits	46,080	44,103	13,428	18,458	22,744	-	144,813
Insurance	-	-	-	-	64,213	-	64,213
Meetings	-	-	-	-	16	-	16
Membership dues	5,916	1,239	1,530	695	3,751	-	13,131
Minor equipment	13,674	6,288	1,892	2,584	4,152	-	28,590
Miscellaneous	3,157	899	4,301	420	21,911	10,317	41,005
Office	9,892	4,023	1,513	1,624	5,105	-	22,157
Payroll taxes	31,537	24,309	8,338	5,608	22,715	-	92,507
Pension	2,883	476	499	338	2,492	-	6,688
Professional fees	63,013	15,123	4,838	49,156	41,202	-	173,332
Foster per diem	1,368,668	-	-	-	-	-	1,368,668
Recruitment	7,072	1,318	289	1,909	3,756	-	14,344
Training	20,486	-	-	-	3,329	-	23,815
Salaries	373,073	293,199	96,618	73,907	279,669	-	1,116,466
Communications	24,024	7,697	3,034	3,662	1,869	-	40,286
Travel	8,672	7	2,857	-	-	-	11,536
Youth programming	11,449	-	59	-	2,550	-	14,058
Bad debt	-	-	-	-	-	-	-
Building maintenance	3,196	1,042	398	471	875	-	5,982
TOTAL	\$ 2,034,283	\$ 413,000	\$ 144,358	\$ 164,990	\$ 570,470	\$ 10,317	\$ 3,337,418

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

YOUTH ADVOCATE SERVICES

Statements of Cash Flows

For the Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets	\$(137,153)	\$ 117,591
Adjustments to reconcile change in net assets to net cash and cash equivalents (used in) provided by operating activities:		
Depreciation and amortization	52,876	38,826
Unrealized and realized losses (gains) on investments	58,662	(82,878)
Amortization of Tenant Improvement Allowances	(30,048)	(23,114)
Increase (decrease) in operating assets:		
Accounts receivable, net	10,777	268,288
Prepaid expenses	1,737	(5,936)
Other assets	10,663	10,582
(Decrease) increase in operating liabilities:		
Accounts payable	(8,967)	(42,875)
Copier lease buyout	(11,470)	-
Accrued expenses	7,918	71,177
Total adjustments	92,148	234,070
Net cash and cash equivalents (used in) provided by operating activities	(45,005)	351,661
Cash Flows from Investing Activities		
Purchases of investments	(1,664)	(76,284)
Proceeds from sale of investments	-	70,142
Purchases of property and equipment	-	(108,497)
Net cash and cash equivalents used in investing activities	(1,664)	(114,639)
Cash Flows from Financing Activities		
Borrowings on note payable	-	54,723
Payments on note payable	(17,046)	(5,226)
Net cash and cash equivalents (used in) provided by financing activities	(17,046)	49,497
Net (Decrease) Increase in Cash and Cash Equivalents	(63,715)	286,519
Cash and Cash Equivalents - Beginning of Year	1,408,484	1,121,965
Cash and Cash Equivalents - End of Year	\$ 1,344,769	\$ 1,408,484
Supplemental Disclosures of Non-Cash Investing and Financing Activities:		
Leasehold improvements aquired through tenant improvement allowances	\$ -	\$ 288,925

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

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021

Nature and Scope of Business

Youth Advocate Services (the Organization) provides delinquent, dependent, abused and neglected youth with viable alternatives to institutionalization through the use of community-based services (foster care). A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of support and revenue and expenses during the reporting periods. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to classes of net assets:

- Net assets without donor restrictions – Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.
- Net assets with donor restrictions – None of the Organization’s net assets are subject to donor imposed restrictions.

Investments

Investments are stated at their fair values. Purchases and sales of investments are recorded on a trade-date basis. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statements of activities and changes in net assets. Investment expenses, such as custodial, commission, and investment advisory fees, are included in the general and administrative expenses of the statements of activities and changes in net assets.

Investments are exposed to various risks such as interest rate, market and credit risks. Accordingly, it is at least reasonably possible that changes in the values of investments may occur in the near term, which could be material.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

See Independent Auditor’s Report.

Summary of Significant Accounting Policies (continued)

Revenue Recognition

The primary operating revenue categories are as follows:

Contribution Revenue

Certain other grants and donations are classified as contributions. Unconditional contributions are recognized as revenue upon notification of approval of the grant or contribution. Conditional contributions are recognized as revenue when the contingent condition is substantially eliminated.

All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

A portion of the Organization's contribution revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contracts or grant provisions.

Exchange Transactions

Included within mental health and training revenues in the statements of activities and changes in net assets are various reciprocal transactions of commensurate value that are considered exchange transactions in accordance with Accounting Standards Codification (ASC) Topic 606. Revenue for these transactions is recognized when a performance obligation has been satisfied by transferring control of promised products or services to the customer in an amount that reflects the consideration the Organization expects to receive in exchange for these products and services.

The Organization's revenue is generally derived from federal, state, county and local sources. Generally, accounts receivable and revenue are recorded in the month the related services are provided at estimated realizable values. The Organization provides services to certain consumers covered by various third-party payor arrangements that provide payments at amounts different than established billing rates. Accordingly, in most cases, accounts receivable and revenue are adjusted for contractual allowances based on third-party established rates. In certain cases, accounts receivable and revenue are recorded on the basis of preliminary estimates of the amounts to be received from third-party payors. Final adjustments are made in the period such amounts are finally determined.

See Independent Auditor's Report.

YOUTH ADVOCATE SERVICES
Notes to Financial Statements
June 30, 2022 and 2021



Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Exchange Transactions (continued)

Fees for training revenues consist of revenues earned for seminars and workshops delivered by the Organization. These are available to the public and are the revenues primary relate to registration fees. Any fees collected prior to performance are recognized as deferred revenue. Revenues for fees for service and seminars and workshops are recognized over the time period that the service, seminar or workshop has been provided to the customer. Revenue recognition for these items are recognized using output methods such as time elapsed or units of service provided.

Accounts Receivable

Accounts receivable consists of amounts due for program services provided as well as funding from governmental and non-governmental entities. Delayed collection of accounts receivable from such agencies are considered past due; however, no interest is charged to the agencies. The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. When amounts become uncollectible, they are charged to operations when that determination is made.

Property and Equipment

Furniture and fixtures are recorded at cost or at the estimated fair market value at the time of donation to the Organization. Assets with a cost or estimated fair market value of at least \$1,500 are capitalized; all others are charged to expense. Maintenance and repairs, which do not improve or extend the estimated useful lives of the respective assets, are expensed as incurred. When property or equipment is sold or retired, the related cost and accumulated depreciation or amortization are removed from the accounts, and any gain or loss is included in income.

Depreciation

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on the straight-line method.

	Years
Leasehold improvements	10
Furniture and fixtures	5 - 7

See Independent Auditor's Report.

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021

Summary of Significant Accounting Policies (continued)

Impairment of Assets

The carrying value of long-lived assets is reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss will be recorded based on the difference between the carrying amount of the assets and their estimated fair value. Management determined that no impairment existed for the fiscal years ended June 30, 2022 or 2021.

Deferred Rent

The Organization's building lease provides for scheduled rent increases during the lease term and for rental payments commencing at a date other than initial occupancy. Rent expense is recognized on a straight-line basis over the term of the respective lease. Tenant improvement allowances are recorded as a deferred liability when received and recognized as a reduction to rental expense over the term of the associated lease.

Donated Services

The Organization records the value of donated services when there is an objective basis available to measure their value and the services are significant and would have been performed by salaried or contracted individuals if contributed services were not available.

Functional Expenses Allocation

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. Those expenses include employee salaries and benefits and facility expenditures. Salaries and benefits are allocated based on estimates of time and effort utilized. Facility expenditures are allocated based on full-time equivalency (FTE) assigned to each function.

Income Taxes

The Organization is exempt from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code. Management represents that the Organization had no unrelated business income during the fiscal years ended June 30, 2022 and 2021. Accordingly, no provisions for federal, state or local taxes are included in the financial statements.

The Organization performs an annual assessment for any uncertainty in income tax positions, which includes an analysis of whether there are any tax positions the Organization takes with regard to unrelated business income, related deductions applied, or other activities that may jeopardize their tax exempt status and thus would meet the definition of an uncertain tax position. No tax liability accrual was recorded relating to material uncertain positions taken as management believes there are none.

See Independent Auditor's Report.

Summary of Significant Accounting Policies (continued)

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the Organization in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant unobservable inputs for the asset or liability.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

New Accounting Pronouncements

Certain reclassifications have been made to the prior year financial statements to conform to current year presentation.

New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2016-02, *Leases (Topic 842)*, a new leasing standard for both lessees and lessors. Under its core principle, a lessee will recognize lease assets and liabilities on the balance sheet for all arrangements with terms longer than 12 months. Lessor accounting remains largely consistent with existing GAAP. This new standard takes effect in for the fiscal year ended June 30, 2023. Management is currently evaluating the impact of the ASU on its financial statements.

Cash and Cash Equivalents

At various time during the fiscal year, the Organization's cash in bank balance exceeded the federally insured limits.

See Independent Auditor's Report.

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021

Investments

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual Funds: Valued at the net asset value of shares held by the Organization at fiscal year-end.

Fixed Income Funds: Includes asset backed securities and corporate bonds valued based on prices provided by independent pricing services. Such prices may be determined by taking into account benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at June 30, 2021 and 2020.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2022 and 2021:

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds:				
Domestic equities	\$ 235,028	\$ -	\$ -	\$ 235,028
Fixed income	130,807	-	-	130,807
	<u>365,835</u>	<u>-</u>	<u>-</u>	<u>365,835</u>
Other assets				
Beneficial interest in assets held by foundation	-	25,021	-	25,021
	<u>-</u>	<u>25,021</u>	<u>-</u>	<u>25,021</u>
Total	<u>\$ 365,835</u>	<u>\$ 25,021</u>	<u>\$ -</u>	<u>\$ 390,856</u>

	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds:				
Domestic equities	\$ 275,474	\$ -	\$ -	\$ 275,474
Fixed income	144,545	-	-	144,545
	<u>420,019</u>	<u>-</u>	<u>-</u>	<u>420,019</u>
Other assets				
Beneficial interest in assets held by foundation	-	27,835	-	27,835
	<u>-</u>	<u>27,835</u>	<u>-</u>	<u>27,835</u>
Total	<u>\$ 420,019</u>	<u>\$ 27,835</u>	<u>\$ -</u>	<u>\$ 447,854</u>

See Independent Auditor's Report.

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021



Beneficial Interest in Assets Held by Foundation

The Organization established an endowment fund held by The Columbus Foundation for the benefit of the Organization. Income generated from assets held in the fund is paid annually to the Organization. The Columbus Foundation retains variance power over the use of the principal of these funds. However, since the Organization is obligated to receive income from the endowment fund, a reciprocal agreement was established naming Youth Advocate Services as the beneficiary. As such, the funds are recorded as assets of the Organization as a beneficial interest in assets held at a foundation.

The fair value was confirmed by The Columbus Foundation based on quoted active market prices for the Organization’s share of investments held in a pooled portfolio. As a result, the funds held by a community foundation under the arrangement described above are all considered to be within Level 2 of the fair value hierarchy.

Note Payable

In May 2021, the Organization entered into a note payable arrangement to finance equipment. The note charges interest at a fixed rate of 10% and requires monthly payments of principal and interest through maturity in May 2024. The total principal outstanding on the note was \$32,451 and \$49,497 at June 30, 2022 and 2021, respectively.

Future principal payments were as follows at June 30, 2022:

Fiscal Year Ended	
2023	\$ 16,210
2024	16,241
Total	\$ 32,451

Lease Agreements

Operating Leases

The Organization leases office space and equipment under non-cancelable operating leases expiring through 2031. Total lease expense was approximately \$123,000 and \$117,000 for the fiscal years ended June 30, 2022 and 2021, respectively. The office lease contains tenant improvement allowances of \$288,925 which were received during the year ended June 30, 2021. These tenant improvement allowances are being recognized as a reduction to rental expense on a straight-line basis over the term of the lease.

See Independent Auditor’s Report.

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021

Lease Agreements (continued)

Operating Leases (continued)

Approximate minimum future lease obligations under non-cancelable operating leases for office space and equipment with terms in excess of one year as of June 30, 2022, were as follows:

Fiscal Year Ended	
2023	\$ 133,770
2024	137,778
2025	141,912
2026	146,172
2027	150,558
Thereafter	562,788
Total	\$ 1,272,978

Retirement Plan

The Organization eliminated a 403(b)-annuity plan and a simplified employee pension plan in order to adopt a 401(k)-plan effective July 1, 2008. The employees to be eligible must be 18 years old, and may begin contributing immediately to the plan. The Organization will match 100% of employee contributions up to 3% of compensation and then 50% of employee contributions in excess of 3% but less than 5% of compensation for a maximum match of 4% of compensation. Pension expense for the years ended June 30, 2022 and 2021 is \$8,252 and \$6,688, respectively.

Concentrations

The Organization relies on Franklin County Children Services (FCCS) for approximately 58% and 52% of its total revenue for the years June 30, 2022 and 2021, respectively, and approximately 48% and 46% of accounts receivable as of June 30, 2022 and 2021, respectively.

See Independent Auditor's Report.

YOUTH ADVOCATE SERVICES

Notes to Financial Statements

June 30, 2022 and 2021

Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows as of December 31:

	2022	2021
Cash and cash equivalents	\$ 1,344,769	\$ 1,408,484
Investments	365,835	420,019
Accounts receivable	300,670	311,447
Total financial assets available within one year	\$ 2,011,274	\$ 2,139,950

Subsequent Events – Date of Management Review

The Organization has evaluated subsequent events through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

See Independent Auditor's Report.