JUST IN TIME FOR FOSTER YOUTH

FINANCIAL STATEMENTS

JUNE 30, 2015

Leaf & Cole, LLP
Certified Public Accountants

JUST IN TIME FOR FOSTER YOUTH
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JUNE 30, 2015

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Leaf & Cole, LLP
Certified Public Accountants
A Partnership of Professional Corporations

Independent Auditor's Report

To the Board of Directors
Just in Time for Foster Youth

Report on the Financial Statements

We have audited the accompanying financial statements of Just in Time for Foster Youth, which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Just in Time for Foster Youth as of June 30, 2015, 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.

Report on Summarized Comparative Information

We have previously audited Just in Time for Foster Youth's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 20, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Leaf & Cole LLP

San Diego, California
January 28, 2016

JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

ASSETS

		2015		2014
Assets: (Notes 1, 2, 3, 4 and 5)				
Cash and cash equivalents	$	532,101	$	295,460
Investments		5,000		-
Contributions receivable, net		87,134		149,094
Prepaid expenses and other assets		10,951		9,158
Furniture and equipment, net		6,123		873
TOTAL ASSETS	$	641,309	$	454,585

LIABILITIES AND NET ASSETS

		2015		2014
Liabilities: (Note 1)				
Accounts payable and accrued expenses	$	28,815	$	14,521
Accrued payroll and related liabilities		27,682		15,095
Total Liabilities		56,497		29,616
Commitments (Notes 6 and 8)				
Net Assets: (Notes 1 and 7)				
Unrestricted		301,590		173,512
Temporarily restricted		283,222		251,457
Total Net Assets		584,812		424,969
TOTAL LIABILITIES AND NET ASSETS	$	641,309	$	454,585

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

JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	2015			2014
	Unrestricted	Temporarily Restricted	Total	Total
Revenue and Support:				
Contributions	$ 893,084	$ 326,175	$ 1,219,259	$ 1,143,889
Interest income	446	-	446	236
Net assets released from restrictions	294,410	(294,410)	-	-
Revenue and Support Before Special Events	1,187,940	31,765	1,219,705	1,144,125
Special Events:				
Revenue	418,513	-	418,513	270,949
Less: Costs	(97,014)	-	(97,014)	(85,554)
Total Special Events, Net	321,499	-	321,499	185,395
Total Revenue and Support	1,509,439	31,765	1,541,204	1,329,520
Expenses:				
Program Services	937,698	-	937,698	928,552
Supporting Services:				
Fundraising	326,461	-	326,461	277,095
General and administrative	117,202	-	117,202	121,182
Total Supporting Services	443,663	-	443,663	398,277
Total Expenses	1,381,361	-	1,381,361	1,326,829
Change in Net Assets	128,078	31,765	159,843	2,691
Net Assets at Beginning of Year	173,512	251,457	424,969	422,278
NET ASSETS AT END OF YEAR	$ 301,590	$ 283,222	$ 584,812	$ 424,969

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

JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	Program Services											Supporting Services			
	Basic Needs	My First Home	Financial Fitness	Bridge to Success	Career Horizons	College Bound/ Education	Community	Leap / Ambassador	Coaching	Program Administration	Total Program Services	General and Administrative	Fundraising	2015 Total	2014 Total
Program awards	$ 117,549	$ 98,410	$ 40,455	$ 35,528	$ 20,161	$ 83,195	$ 18,600	$ 4,247	$ 37,665	$ 88,213	$ 544,023	$ -	$ -	$ 544,023	$ 481,635
Salaries and related benefits	29,153	4,021	25,334	30,746	37,231	3,152	37,018	60,527	40,948	73,350	341,480	52,325	149,889	543,694	533,613
Professional services	3,678	380	2,409	3,551	3,044	254	2,409	3,044	4,692	6,594	30,055	31,065	117,362	178,482	97,031
Office expense	1,577	163	1,033	1,523	1,305	109	1,033	1,305	2,012	2,828	12,888	26,462	23,247	62,597	92,344
Promotional events	-	-	-	-	-	-	-	-	-	-	-	60	28,870	28,930	32,814
Insurance	908	94	595	877	751	63	595	751	1,158	1,628	7,420	564	2,035	10,019	6,520
Conference, meetings and training	113	12	74	109	93	8	74	93	144	202	922	5,885	253	7,060	4,824
Postage and shipping	27	3	18	26	23	2	18	23	35	49	224	17	1,954	2,195	2,764
Travel	5	1	3	5	4	-	3	4	7	9	41	(17)	1,984	2,008	2,577
Other expenses	-	-	-	-	-	-	-	-	-	-	-	790	690	1,480	-
Depreciation	79	8	52	76	65	5	52	65	101	142	645	51	177	873	3,629
Contract labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54,794
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,189
Bank fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,095
Total Expenses	$ 153,089	$ 103,092	$ 69,973	$ 72,441	$ 62,677	$ 86,788	$ 59,802	$ 70,059	$ 86,762	$ 173,015	$ 937,698	$ 117,202	$ 326,461	$ 1,381,361	$ 1,326,829

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

JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2014)

	2015	2014
Cash Flows From Operating Activities:		
Change in net assets	$ 159,843	$ 2,691
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	873	3,629
(Increase) Decrease in:		
Contributions receivable, net	61,960	56,679
Prepaid expenses and other assets	(1,793)	(4,009)
Increase (Decrease) in:		
Accounts payable and accrued expenses	14,294	7,714
Accrued payroll and related liabilities	12,587	166
Net Cash Provided by Operating Activities	247,764	66,870
Cash Flows From Investing Activities:		
Purchase of investments	(5,000)	-
Purchase of property and equipment	(6,123)	-
Net Cash Used in Investing Activities	(11,123)	-
Net Increase in Cash and Cash Equivalents	236,641	66,870
Cash and Cash Equivalents at Beginning of Year	295,460	228,590
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 532,101	$ 295,460

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

Note 1 - Organization and Significant Accounting Policies:

Organization

Just in Time for Foster Youth (the "Organization"), a not-for-profit organization incorporated in the State of California in 2006, envisions a future in which every youth leaving the foster care system has a community of caring adults waiting for them when they turn eighteen and leave the foster care system.

The Organization believes consistent, long-term help from the heart is the foundation for the success of our youth so that they can thrive and enjoy productive, satisfying lives.

The Organization mobilizes a caring community as an extended family for transitioning foster youth. This is done through consistent relationships and emergency resources provided by individuals, agencies, businesses and foundations that share the core values and mission.

While other programs might assist with support such as transitional housing or college scholarships, the Organization looks where there is a critical need and fills that gap to ensure that motivated youth reach their goal of self-sufficient adulthood. The Organization also fills the most important gap of all: connections to caring adults, who then become a lifelong support system and the consistent community for the youth served.

Significant Accounting Policies

Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (GAAP) and, accordingly, reflects all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements present information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

- Unrestricted net assets – Net assets not subject to donor imposed stipulations

- Temporarily restricted net assets – Net assets subject to donor imposed stipulations that will be met by actions of the Organization and/or the passage of time. When a donor stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

- Permanently restricted net assets – Net assets subject to donor imposed stipulations requiring that they be maintained permanently by the Organization. The income from these assets is available for either general operations or specific programs as specified by the donor.

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Estimates

The preparation of a financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

Fair Value Measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- Level 1 inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the investment.

The Organization's statement of financial position includes the following financial instruments that are required to be measured at fair value on a recurring basis:

- Investments - Rancho Santa Fe Foundation funds are considered Level 2 assets and are reported at fair value based on the fair value of the underlying assets in the funds as reported by the fund manager, Rancho Santa Fe Foundation, since these funds are valued by the fund manager and are not traded in an active market.

Allowance for Doubtful Accounts

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables. Management believes that all contributions receivable were fully collectible; therefore, no allowance for doubtful accounts was recorded at June 30, 2015 and 2014.

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Capitalization and Depreciation

The Organization capitalizes all expenditures in excess of $5,000 for furniture and equipment at cost, while donations of furniture and equipment are recorded at their estimated fair values. Such donations are reported as unrestricted unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire furniture and equipment are reported as restricted. Furniture and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

Office equipment and computers	5 years
Furniture and fixtures	5 - 7 years

Depreciation totaled $873 and $3,629 for the years ended June 30, 2015 and 2014, respectively.

Maintenance and repairs are charged to operations as incurred. Upon sale or disposition of property or equipment, the asset account is reduced by the cost and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense.

Compensated Absences

Accumulated unpaid vacation totaling $17,533 and $15,095 at June 30, 2015 and 2014, respectively, is accrued when earned and included in accrued payroll and related liabilities.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Donated Services, Support and Facilities

The Organization utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the year ended June 30, 2015 and 2014, did not meet the requirements above, therefore no amounts were recognized in the financial statements.

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Donated Services, Support and Facilities (Continued)

The Organization received in-kind donations totaling $135,886 and $239,615 for the years ended June 30, 2015 and 2014, respectively, which have been recorded as contributions revenue and expense in the statement of activities.

The Organization occupies office facilities donated by Casey Family Programs. Donated facilities totaled $51,116 and $51,116 for the years ended June 30, 2015 and 2014, respectively, were recorded at fair value at the date of donation, and have been included in contributions revenue and expense in the statement of activities.

Allocated Expenses

Expenses by function have been allocated among program and supporting service classifications on the basis of internal records and estimates made by the Organization's management.

Income Taxes

The Organization is a public charity and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statement. The Organization is not a private foundation.

The Organization's Return of Organization Exempt from Income Tax for the years ended June 30, 2015, 2014, 2013 and 2012 are subject to examination by the Internal Revenue Service and State taxing authorities, generally three to four years after the returns were filed.

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts and money market funds which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Comparative Totals for June 30, 2014

The financial statements include certain prior year summarized comparative information in total but not by net asset class. This summarized information is for comparative purposes only, and accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2014, from which the summarized comparative information was derived.

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Cash and Cash Equivalents

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

Subsequent Events

The Organization has evaluated subsequent events through January 28, 2016, which is the date the financial statement is available for issuance, and concluded that there were no events or transactions that needed to be disclosed.

Note 2 - Fair Value Measurements:

The following table summarizes assets measured at fair value by classification within the fair value hierarchy at June 30, 2015:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 20, 2015
Investments at Rancho Santa Fe Foundation	$ -	$ 5,000	$ -	$ 5,000

Note 3 - Investments:

In March, 2015, the Organization transferred $5,000 to Rancho Santa Fe Foundation, which is classified as unrestricted. The investment is held in an investment pool, which is structured for long-term, total return consisting of 36% domestic equities, 19% international equities, 5% in emerging markets, 33% fixed income and 7% in cash and cash equivalents. Investments at Rancho Santa Fe Foundation total $5,000 and $-0- at June 30, 2015 and 2014, respectively.

Note 4 - Contributions Receivable:

Contributions receivable consist of the following at June 30:

	2015	2014
Receivable due in less than one year	$ 54,500	$ 70,700
Receivable due in one to five years	33,000	80,000
Less: Discounts to present value	(366)	(1,606)
Contributions Receivable, Net	$ 87,134	$ 149,094

The contributions receivable have been discounted to their present value using discount rates between 1.01% and .88% at June 30, 2015 and 2014, respectively.

Note 5 - Furniture and Equipment:

Furniture and equipment consist of the following at June 30:

	2015	2014
Office equipment and computers	$ 32,897	$ 26,774
Furniture and fixtures	1,554	1,554
Subtotal	34,451	28,328
Less: Accumulated depreciation	(28,328)	(27,455)
Furniture and Equipment, Net	$ 6,123	$ 873

Note 6 - Line-of-Credit:

The Organization has a line-of-credit with Western Alliance Bank in the amount of $50,000. The line-of-credit provides for interest at the bank’s prime rate plus 2% (3.25% at June 30, 2015) but not less than 6%. The line-of-credit is renewable on June 22, 2016, and is unsecured. There was no outstanding balance at June 30, 2015 and 2014, respectively.

Note 7 - Temporarily Restricted Net Assets:

Temporarily restricted net assets consist of the following at June 30:

	2015	2014
College Bound	$ 173,849	$ 25,086
Coaching	52,690	139,987
Time Restriction	32,634	78,394
Financial Fitness	24,033	-
Computer/Tech	16	271
Vocation	-	7,719
Total Temporarily Restricted Net Assets	$ 283,222	$ 251,457

Net assets totaling $298,410 were released from donor restrictions due to the satisfaction of purpose or time restrictions during the year ended June 30, 2015.

Note 8 - Commitments:

The Organization leases office space under a lease agreement that expires December 31, 2015. The landlord has provided the space rent-free subject to the terms and conditions of the lease agreement. (Note 1)

The Organization leases office space under a lease agreement that expires March 31, 2016 with two, one-year options to renew. The Organization entered into a lease agreement to lease office space effective May 1, 2015 that expires April 30, 2017. Rent expense totaled $20,265 and $14,950 for the years ended June 30, 2015 and 2014, respectively, and is included with office expenses on the statement of functional expenses. The related future minimum lease payments are as follows:

Years Ended June 30	
2016	$ 31,150
2017	30,600
Total	$ 61,750