

Financial Statements

YOUTH LEADERSHIP FOUNDATION, INC.

December 31, 2014

Youth Leadership Foundation, Inc.

December 31, 2014

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Independent Accountant's Report On the Financial Statements

To the Board of Directors and Management
of the Youth Leadership Foundation, Inc.

I have compiled the accompanying financial statements of Youth Leadership Foundation, Inc. (the Organization) which comprise the statement of financial position as of December 31, 2014, and the related statement of activities and change in net assets and statement of cash flows for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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.

Accountant's Responsibility

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Other Matter

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in its

net assets and its cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A handwritten signature in black ink, appearing to read "Vivian P. Jenkins".

Silver Spring, MD
December 17, 2015

Youth Leadership Foundation, Inc.

Statement of Financial Position

December 31, 2014

Assets

Cash and cash equivalents	\$ 54,109
Investments	21,756
Accounts receivable	26,906
Pledges receivable, current	20,340
Prepaid expenses and other current assets	9,277
Total current assets	132,388
Pledges receivable, long-term	12,500
Property and equipment	976
Total assets	\$ 145,864

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 47,969
Pledges payable	12,461
Loan payable	1,525
Total liabilities	61,955
Net Assets	
Unrestricted	48,909
Temporarily restricted	35,000
Total net assets	83,909
Total liabilities and net assets	\$ 145,864

Youth Leadership Foundation, Inc.

Statement of Activities
Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Support			
Grants	\$ 1,312	\$ -	\$ 1,312
Contributions	268,532	10,000	278,532
Special events, net of direct costs	326,727		326,727
In-kind contributions	22,922		22,922
Net assets released from restrictions	12,500	(12,500)	
Total support	631,993	(2,500)	629,493
Earned revenue			
Investment income	(233)		(233)
Program revenue	860		860
Total support and revenue	632,620	(2,500)	630,120
Expenses			
Program services	569,049		569,049
Supporting services			
Fundraising	124,997		124,997
Management and general	81,542		81,542
Total expenses	775,588		775,588
Change in net assets	(142,968)	(2,500)	(145,468)
Net assets, January 1, 2014	191,877	37,500	229,377
Net Assets, December 31, 2014	\$ 48,909	\$ 35,000	\$ 83,909

See accompanying accountant's compilation report.

Youth Leadership Foundation, Inc.

Statement of Cash Flows
Year Ended December 31, 2014

Cash flows from operating activities

Change in net assets	\$ (145,468)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Net (gain) loss on investments	-
Depreciation	1,304
Changes in assets and liabilities:	
Accounts receivable	(5,775)
Pledges receivable	18,410
Prepaid expenses and other current assets	(4,665)
Accounts payable and accrued expenses	30,001
Pledges payable	12,461
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Total adjustments	<hr/> 51,736
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Net cash used in operating activities	(93,732)

Cash flows from investing activities

Acquisitions of investments	(21,756)
Net decrease in cash and cash equivalents	(115,488)
Cash and cash equivalents, beginning of year	169,597
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Cash and cash equivalents, end of year	\$ 54,109

Youth Leadership Foundation, Inc.
SELECTED INFORMATION—Substantially All Disclosures Required by
Generally Accepted Accounting Principles Are Not Included
December 31, 2014

NOTE 1 ORGANIZATION AND MAJOR PROGRAMS

Youth Leadership Foundation, Inc., (YLF or "the Organization") was incorporated in Washington, D.C. in January 1997. The Organization's mission is to build character and support the pursuit of academic excellence enabling youth in the DC-MD-VA area to enhance the trajectory of their lives. This is accomplished through two major programs. **Program for Academic and Leadership Skills (PALS)** is designed to help girls understand themselves the world and how to be great women in it. **Tenley Achievement Program (TAP)** is designed to cultivate virtue, encouraging boys to lead by example. YLF's Four Pillars of Success help students reach their full potential:

CHALLENGING ACADEMICS

The programs employ vigorous curricula crafted to remediate learning gaps and challenge students' problem-solving. During the school year, students receive two 45-minute tutoring blocks, targeting reading, mathematics and study skills. The summer programs include math, English, science and cultural studies.

CHARACTER FORMATION

The programs implement substantive character curricula that provoke meaningful self-reflection around the themes of human freedom and responsibility. Each four-year curriculum helps students to answer the questions, "Who Am I?", "Where Am I Going?", "What Is the Path?", and "What Is My Responsibility?" Character lessons are an integral part of each program.

PERSONAL MENTORING

Each student is paired with a mentor who helps them to set specific measurable goals related to personal and academic development. Mentors help students to disentangle troubling social situations and come up with creative and self-edifying solutions.

PARENTAL INVOLVEMENT

YLF believes that parents are the primary educators of their students. The Organization aims to support parents as they guide their children. Monthly Parent Corners during the school year and weekly Parent Seminars in summer provide stimulating conversation among like-minded parents for the purpose of enriching the home.

More than 95% of the parents with students involved in the programs observe significant improvement in their child's behavior after participating in YLF programs.

Youth Leadership Foundation, Inc.
SELECTED INFORMATION—Substantially All Disclosures Required by
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December 31, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Tax Status

Youth Leadership Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable income tax laws and regulations of the District of Columbia. YLF is classified as other than a private foundation within the meaning of Section 509(a)(2) of the Internal Revenue Code.

In accordance with FASB ASC 740, *Income Taxes*, management evaluated its activities and believes that it has appropriate support for income tax positions taken. Therefore, management has not identified any uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the accounting standard.

Basis of accounting

Consistent with accounting principles generally accepted in the United States (GAAP), YLF prepares its financial statements on the accrual basis of accounting. Revenue, other than contributions, is recognized when earned and expense when the obligation is incurred.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates and assumptions in these financial statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful accounts, estimates of future cash flows and other assumptions associated with useful lives for depreciation and amortization and contingencies. Accordingly, actual results could differ from those estimates.