

**POTRERO HILL
NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
AUDITED FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

Tang & Lee, LLP
Certified Public Accountants

POTRERO HILL NEIGHBORHOOD HOUSE, INC.

(A NON-PROFIT CORPORATION)

TABLE OF CONTENTS

JUNE 30, 2023

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 - 3
FINANCIAL STATEMENTS	
Statement of financial position	4
Statement of activities and changes in net assets	5
Statement of cash flows	6
Notes to financial statements	7 - 16
SUPPLEMENTAL INFORMATION	
Statement of functional expenses	17

INDEPENDENT AUDITORS' REPORT

Board of Directors
Potrero Hill Neighborhood House, Inc.
San Francisco, CA

Opinion

We have audited the accompanying financial statements of **POTRERO HILL NEIGHBORHOOD HOUSE, INC. (PHNH) (the Organization)**, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and changes in its net assets, 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 PHNH as of June 30, 2023, the statement of activities and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PHNH 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.

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.

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 PHNH's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility

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 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 PHNH '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 PHNH '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 PHNH's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 24, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on page 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Tang & Lee, LLP

Burlingame, California
April 24, 2024

POTRERO HILL NEIGHBORHOOD HOUSE, INC
(A NON-PROFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	2023	2022
<u>ASSETS</u>				
Current Assets				
Cash	\$ 243,862	\$ 93	\$ 243,955	\$ 219,568
Grants receivable	157,858	-	157,858	140,603
Prepaid expenses	9,869	-	9,869	10,164
Total current assets	411,589	93	411,682	370,335
Fixed Assets				
Building	1,786,409	-	1,786,409	1,786,409
Equipment	278,046	-	278,046	278,046
Improvement	124,990	-	124,990	124,990
Less: accumulated depreciation	(2,086,013)	-	(2,086,013)	(2,060,633)
Total fixed assets	103,432	-	103,432	128,812
Other Assets				
Loan charges	17,461	-	17,461	17,461
Less: accumulated amortization	(17,461)	-	(17,461)	(17,461)
Total other assets	-	-	-	-
TOTAL ASSETS	\$ 515,021	\$ 93	\$ 515,114	\$ 499,147
<u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities				
Accounts payable	\$ 4,346	\$ -	\$ 4,346	\$ 5,311
Line of credit from bank	-	-	-	39,139
Accrued payroll taxes and accrued expenses	252	-	252	5,487
Advance from key employee	-	-	-	14,856
Deferred revenue	14,498	-	14,498	-
Total current liabilities	19,096	-	19,096	64,793
Long-Term Liabilities				
Note payable	350,000	-	350,000	350,000
Total long-term liabilities	350,000	-	350,000	350,000
Total liabilities	369,096	-	369,096	414,793
Net Assets				
Without donor restrictions	145,925	-	145,925	84,261
With donor restrictions	-	93	93	93
Total net assets	145,925	93	146,018	84,354
TOTAL LIABILITIES AND NET ASSETS	\$ 515,021	\$ 93	\$ 515,114	\$ 499,147

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

POTRERO HILL NEIGHBORHOOD HOUSE, INC
(A NON-PROFIT CORPORATION)
STATEMENT OF ACTIVITIES AND CHANGES OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
<u>SUPPORT AND REVENUES</u>				
Grants	\$ 823,225	\$ -	\$ 823,225	\$ 921,063
Foundation and Donations	67,569	-	67,569	42,357
Building use fees	238,359	-	238,359	219,591
Fundrasing	72,100	-	72,100	122,800
Other incomes	9,227	-	9,227	14,718
Total support and revenues	1,210,480	-	1,210,480	1,320,529
<u>EXPENSES</u>				
Program services	785,405	-	785,405	761,442
Management and general	208,118	-	208,118	183,692
Fundraising	64,839	-	64,839	91,665
Facility	75,956	-	75,956	99,109
Total expenses	1,134,318	-	1,134,318	1,135,908
CHANGES IN NET ASSETS	76,162	-	76,162	184,621
NET ASSETS, beginning of year	84,261	93	84,354	(100,267)
Prior period adjustment	(14,498)	-	(14,498)	-
Restated net assets, beginning of year	69,763	93	69,856	(100,267)
NET ASSETS, end of year	\$ 145,925	\$ 93	\$ 146,018	\$ 84,354

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

POTRERO HILL NEIGHBORHOOD HOUSE, INC
(A NON-PROFIT CORPORATION)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>2023</u>	(Summarized) <u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/(Decrease) in net assets	\$ 76,162	\$ 184,621
Adjustments to reconcile the change in net assets to net cash provided (used) by operating activities:		
Depreciation & Amortization	25,380	22,026
(Increase) decrease in:		
Grants receivable	(17,255)	(47,130)
Prepaid expenses	295	(10,164)
Prior period adjustment	(14,498)	-
Increase (decrease) in:		
Accounts payable	(965)	(18,116)
Deferred revenue	14,498	(14,498)
Accrued payroll taxes and accrued expenses	<u>(5,235)</u>	<u>(17,936)</u>
Net cash provided (used) by operating activities	78,382	98,803
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	<u>-</u>	<u>(79,572)</u>
Net cash provided (used) by investing activities	<u>-</u>	<u>(79,572)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Increase (decrease) in line of credit from bank	(39,139)	(6,436)
Advance from key employee	<u>(14,856)</u>	<u>(4,966)</u>
Net cash provided (used) by financing activities	(53,995)	(11,402)
NET INCREASE/(DECREASE) IN CASH	<u>24,387</u>	<u>7,829</u>
CASH		
Beginning of year	<u>219,568</u>	<u>211,739</u>
End of year	<u>\$ 243,955</u>	<u>\$ 219,568</u>
Cash paid for interests	<u>\$ 21,000</u>	<u>\$ 21,000</u>

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

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE A – NATURE OF ORGANIZATION

Organization

Potrero Hill Neighborhood House, Inc. (PHNH) (“the Organization”) was incorporated in 1956 pursuant to the General Non-Profit Corporation Law of the State of California. The Organization’s primary purpose is to provide substance abuse services, employment guidance, educational services after classes, and summer camp activities to youngsters. Due to cost and budget analysis, the management and the Board terminated the social development program for handicapped and senior adults on March 31, 2018.

PHNH offers a variety of program opportunities to the community, including:

(1) *Head Start*

The PHNH provides preschool education through the leasing of its childcare facility to Wu Yee Children's Services. The Head Start Program at Wu Yee fosters children's growth and development through a play-based curriculum that supports cultural diversity and dual language learning. The program uses a creative curriculum to address the needs of all children in the neighborhood. Beginning August 2023, the Organization has leased the childcare facility to a new tenant, Potrero Space LLC.

(2) *Summer in The City + Program*

The summer program offered by The Nabe provides year-round extracurricular education to children aged 6-13 through its summer camp and after-school program. The summer program includes academic enrichment and excursions to various places beyond Potrero Hill, where the children are taught how to use public transportation. The after-school program offers homework assistance, tutoring, and STEAM activities including science, technology, engineering, arts, and mathematics.

(3) *Experiment in Diversity*

Experiment in Diversity (EID) is a year-round college and career awareness program for middle school students aged 12-15. The program provides tutoring support and project-based learning to spark curiosity in new fields. EID helps students map out their future education plans. The program promotes cultural understanding and community service through the PHNH’s weekly Food Pantry program. EID also provides career planning and job application skills, including workshops on interviewing, public speaking, leadership, and civic engagement. Students visit local businesses, attend panel discussions, and take field trips to various workplaces.

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(4) *Transitional Age Youth*

The Transitional Age Youth (TAY) program serves young adults between the ages of 16 and 25 and helps them transition successfully into adulthood. The program offers intensive outreach, one-on-one coaching, and helps link participants to education, employment, housing, medical care, and parenting resources.

(5) *Peer Counseling*

The Peer Counseling program provides mentorship, support, and resource connection for justice-involved youth who are detained in juvenile detention. The program takes a spiritual approach to self-transformation and psychological awakening, empowering youth to make different lifestyle choices upon release from incarceration. It offers peer-to-peer support and helps juveniles process and cope with trauma. The program operates five days and two evenings per week.

(6) *Food Pantry*

The Food Pantry program operates weekly to provide fresh produce to over 150 families and seniors in the community in partnership with the San Francisco-Marín Food Bank and SF Food Runners.

(7) *Health & Wellness*

The Health & Wellness program at PHNH community offers participants in the nearby communities various exercise classes such as Tai Chi, Karate, Yoga and Mambo throughout the week.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Principles Updates

- 1) In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) was issued to replace the leases requirements in Topic 840, Leases. The main difference between previous generally accepted accounting principles (GAAP) and Topic 842 is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. A lessee should recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term. The accounting applied by a lessor is largely unchanged from that applied under previous GAAP. Topic 842 will be effective for annual reporting periods beginning after December 15, 2018, including interim periods within those annual periods, and is to be retrospectively applied. For private companies and non-profit entities, the amendments in this update are effective for the fiscal years beginning after December 15, 2021.

Basis of Accounting and Presentation

The accompanying financial statements are prepared on the accrual basis of accounting, whereby expenditures are recorded when the liabilities are incurred and revenues are recorded when earned. PHNH prepares its financial statements to focus on PHNH as a whole and to present net assets and revenues, expenses, gains and losses classified based on the existence of imposed restrictions. In accordance to ASU 2016-14, net assets and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of PHNH. These net assets may be used at the discretion of PHNH's management and the board of directors.

Net assets with donor restrictions: Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of PHNH or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Income Tax Status and Accounting for Uncertain Tax Positions

The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

The Organization's tax returns are subject to examination by Federal taxing authorities for a period of three years from the date they are filed and a period of four years for California taxing authorities.

Revenue Recognition

a. Government Grants

Revenues from government grants are recognized in the year in which all eligible requirements have been satisfied. Eligibility considerations include timing requirements, which specify the year when the resources are required to be used; matching requirements, in which PHNH must provide resources to be used for a specified purpose; and expenditure requirements, in which the sources are provided to PHNH on a reimbursement basis.

b. Contributions

Contributions are recognized as revenue when received or unconditionally promised. Gifts of cash and other assets are reported as restricted support if received with donor stipulations that limit the use, either for time and/or purpose, for the donated assets. Donor-restricted contributions, whose restrictions are met in the same reporting period as the contribution is recorded, are reported as contributions with donor restrictions with a corresponding release of restriction. Conditional promises to give are not recognized as revenue until the donor's conditions are substantially met. As of June 30, 2023, PHNH did not have any conditional promises to give.

c. Building Use Fees

PHNH meets the criteria in revenue recognition under ASC 606 - Revenue from contracts with customers. Generally accepted accounting principles (GAAP) require that revenues are recognized according to the revenue recognition principles, a feature of accrued accounting. This means that revenue is recognized on the income statement in the period when realized and earned not necessarily when cash is received. PHNH has a contract with the lessee for building use over a service period. Contracts narrate performance obligations, the service price, and the allocation of the service price to performance obligation over the service period. PHNH recognizes building use revenue when services are performed and satisfied.

d. Fundraising Revenue

PHNH meets the criteria in revenue recognition under ASC 606 - Revenue from contracts with customers. Generally accepted accounting principles (GAAP) require that revenues are recognized according to the revenue recognition principles, a feature of accrued

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

accounting. This means that revenue is recognized on the income statement in the period when realized and earned not necessarily when cash is received. PHNH has contracts with festival organizers for sponsorship over the service period. Contracts narrate performance obligations, service prices, and allocation of service prices to performance obligations over the service period. PHNH recognizes fundraising revenue when sponsorship services are performed and satisfied.

e. **Other Incomes**

Other incomes primarily consist of income from festival gatherings.

Use of Estimates

The preparation of financial statements 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2022 Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with PHNH's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Cash and Equivalents

Cash and equivalents consist of amounts held with banks, highly liquid money market funds, and other short-term investments with original maturities of 90 days or less.

Fixed Assets

1) Land, Building, and Improvement

The land and buildings located on DeHaro and Carolina streets were donated in October 1920 and January 1928, respectively. The fair value of these properties at the date of donation was not determined; therefore, the value of the properties- \$263,000- is based on the full cash value shown on the 1973-74 property assessment.

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Since that time, improvements have been made from grants received from the City and County of San Francisco, as supplied by HUD and the Environment Commission.

2)Computers and Equipment

Equipment is depreciated over its estimated useful life on a straight-line basis and is charged to the related program activity.

In certain situations, PHNH acquires computers and other equipment utilizing specific grant funds. Such purchases are expensed upon acquisition. The effect of such expensing on PHNH's net assets is not material.

Depreciation is computed using the straight-line method over the estimated useful lives of these assets as follows:

	<u>Lives In Years</u>
Buildings and Improvements	20
Equipment	5
Furniture	7

The total fixed assets are categorized as follows:

Fixed assets	Beginning balances	New additions	Ending balances
Building	1,786,409	-	1,786,409
Equipment	278,046	-	278,046
Improvement	124,990	-	124,990
Accumulated depreciation	(2,060,633)	(25,380)	(2,086,013)

Loan Charges

A new loan was obtained on April 10, 2018. As a result, a new loan charge in the amount of \$17,461 is amortized over 23-month periods on a straight-line basis. As of June 31, 2023, the balance was fully amortized.

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Functional Expense Allocations

The costs of providing program services to PHNH have been summarized on a functional basis. Certain costs, not directly attributable to a particular program, have been allocated among all other programs, and general and support services based upon service statistics and estimates made by PHNH's management.

Employee Retirement Plan

The Organization has a 403(b) tax-deferred annuity retirement plan, which is funded by contributions from its employees. The Organization has no liability for the administration or payment of benefits of the plan and, accordingly, the present value of the related vested benefits is not reflected in these financial statements.

Fair Value Measurements

GAAP provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets.

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets.

Level 3 inputs - estimates using the best information available when there is little or no market.

PHNH uses appropriate valuation techniques based on the available inputs to measure the fair value of the financial assets. There have been no changes in the methodologies used during the year ending June 30, 2023.

PHNH's financial assets measured at fair value on a recurring basis on June 30, 2023, are classified within Level 1 of the fair value hierarchy.

Subsequent Events

The management of the Organization has reviewed the results of operations and evaluated subsequent events for the period of time from its year ended June 30, 2023, through April 24, 2024, the date the financial statements were available to be issued.

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE C – GRANTS RECEIVABLE FROM COST REIMBURSEMENT CONTRACTS

PHNH receives a substantial portion of its funds under several cost reimbursement contracts with government agencies. These contracts provide for the reimbursement of qualifying costs at either the time or the costs incurred shortly thereafter. The amounts due from cost reimbursement contracts as of June 30, 2023, were \$157,858.

NOTE D – LOAN CHARGES

Loan charges were incurred when the Organization obtained a new loan. As of June 30, 2023, the loan charges were fully amortized.

NOTE E – DEFERRED REVENUE

On June 30, 2023, the Organization received rental income for July 2023 in the amount of \$14,498 for 824 Carolina Street, the rental property. For the period ending June 30, 2023, the balance was \$14,498.

NOTE F – PRIOR PERIOD ADJUSTMENT

Prior period adjustment is an adjustment of rental income on the lease for 824 Carolina Street, the rental property.

NOTE G – PREPAID EXPENSES

PHNH has paid the program expenses in advance for July 2023. As of June 30, 2023, total prepaid program expenses as the costs to amusement parks were \$9,869.

NOTE H – NOTE PAYABLE

On April 10, 2018, PHNH obtained an increase in short-term loans from a private trust, the note amount is \$350,000. The note is secured by the deed of trust on property located at 824 Carolina Street, San Francisco, CA 94107, and, calls for a new monthly interest payment of \$1,750 only, starting from June 01, 2018, to May 01, 2020. The note had been extended since May 1, 2020. The note calls for interest payment only on a month-to-month basis without a maturity date. The interest rate remains at 6% per annum.

The following is a schedule of interest payments after June 30, 2023:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	21,000
Total	<u>\$ 21,000</u>

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE I – SIGNIFICANT GRANTORS AND CONCENTRATION OF RISK

During the year ended June 30, 2023, approximately 68% of revenues came from local and state governmental agencies. The operation of these programs at present levels is dependent upon continued funding from the local governmental agencies. In addition, PHNH depends on the service provided for youth and adults under cost reimbursement contracts with governmental agencies (as described in Note C).

PHNH is potentially subject to the risk of the concentration of government funding.

NOTE J– AVAILABILITY AND LIQUIDITY

This presentation is required by the newly adopted ASU 2016-14 which is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The following represents PHNH’s financial assets as of June 30, 2023:

Financial assets at year end:

Cash	\$ 243,955
Grant receivable	157,858
Total financial assets	<u>401,813</u>

Less amounts not available to be used within one year:

Net assets with donor restrictions	<u>93</u>
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Financial assets available to meet general expenditures
over the next twelve months

\$ 401,720

PHNH’s goal is generally to maintain financial assets to meet 90 days of operating expenses. As of June 30, 2023, the management believes that PHNH will be able to meet the current obligation.

NOTE K – CONTINGENT LIABILITIES

Conditions contained within the various contracts awarded to PHNH are subject to the funding agencies’ criteria and regulations under which expenditures may be charged and are subject to audits under such regulations and criteria. Occasionally, such audits may determine that certain costs incurred against the grants may not comply with established criteria that govern them. In such cases, PHNH could be held responsible for repayments to the funding agency for the costs or be subject to reductions of future funding. Management does not anticipate any material questioned costs for the contracts and grants administered during the period.

POTRERO HILL NEIGHBORHOOD HOUSE, INC.
(A NON-PROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE L – SUBSEQUENT EVENTS

The management of the Organization reviewed the results of operations and evaluated subsequent events for the period of time from its year ending June 30, 2023, through April 24, 2024, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

POTRERO HILL NEIGHBORHOOD HOUSE, INC
(A NON-PROFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Facility</u>	<u>Total 2023</u>	<u>(Summarized) 2022</u>
Expenses:						
Salaries	515,052	57,607	8,000	5,283	585,942	594,075
Payroll taxes and benefits	<u>51,611</u>	<u>27,013</u>	<u>1,046</u>	<u>450</u>	<u>80,120</u>	<u>83,326</u>
Total payroll costs	566,663	84,620	9,046	5,733	666,062	677,401
Contractors	83,987	1,595	13,293	19,923	118,797	57,176
Programs	34,469	-	5,688	-	40,157	34,204
Nutritional meals	3,294	-	-	-	3,294	5,443
Transportation	3,538	20	-	-	3,558	24,669
Professional fees	7,600	6,385	-	4,398	18,383	30,207
Audit & Accounting	38,074	16,153	-	-	54,227	54,695
Insurance	-	29,296	-	-	29,296	24,416
Dues, permits & subscriptions	60	3,678	6,346	2,686	12,770	11,633
Internet/Website	-	8,860	-	-	8,860	7,938
Marketing and promotion	2,787	5,647	3,958	-	12,392	9,112
Utilities	1,490	-	1,125	27,639	30,254	27,761
Repairs and maintenances	-	-	-	7,039	7,039	13,610
Depreciation and amortization	-	25,380	-	-	25,380	22,026
Equipment rental/purchase	5,272	-	11,669	-	16,941	12,780
Program supplies	7,626	684	563	5,202	14,075	18,223
Interest & penalty & other charges	-	21,025	-	-	21,025	23,724
Client Awards/Stipends	22,593	-	-	-	22,593	60,350
Artist & Performers - Non-Salaried	-	-	12,850	-	12,850	6,650
Other expenses	<u>7,952</u>	<u>4,775</u>	<u>301</u>	<u>3,336</u>	<u>16,364</u>	<u>13,890</u>
Total	<u>\$ 785,405</u>	<u>\$ 208,118</u>	<u>\$ 64,839</u>	<u>\$ 75,956</u>	<u>\$ 1,134,318</u>	<u>\$ 1,135,908</u>