New Entra Casa Corporation
Audited Financial Statements
June 30, 2026

Presented by
Pinnacle Accounting & Financial Services
A Professional Corporation

New Entra Casa Corporation
Audited Financial Statements
For the Year Ended June 30, 2026

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Pinnacle Accounting
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Entra Casa Corporation
San Diego, CA

Opinion

We have audited the accompanying financial statements of New Entra Casa Corporation (a nonprofit organization), which comprises the Statement of Financial Position as of June 30, 2026, and the related Statements Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Entra Casa Corporation as of June 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Entra Casa Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New Entra Casa Corporation's ability to continue as a going concern within one year after the date that the financial statements are 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 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, including omissions, 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 New Entra Casa Corporation'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 New Entra Casa Corporation’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 New Entra Casa Corporation’s June 30, 2025, financial statements, and expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Pinnacle Accounting & Financial Services

Pinnacle Accounting & Financial Services
Sacramento, CA
October 9, 2026

New Entra Casa Corporation
Statement of Financial Position
June 30, 2026
(With Comparative Totals for 2025)

	2026	2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 75,383	$ 54,404
Accounts receivable	94,769	85,332
Total current assets	170,152	139,736
EQUIPMENT, net	516,944	538,668
TOTAL ASSETS	$ 687,097	$ 678,404
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	$ 876	$ 1,012
Accrued expenses	34,165	38,746
Line of credit	-	50,000
Total current liabilities	35,041	89,758
TOTAL LIABILITIES	35,041	89,758
NET ASSETS		
Without donor restrictions	652,056	588,646
TOTAL LIABILITIES AND NET ASSETS	$ 687,097	$ 678,404

See Accompanying Notes to the Financial Statements

New Entra Casa Corporation
Statement of Activities and Changes in Net Assets
June 30, 2026
(With Summarized Comparative Totals for 2025)

	2026			2025
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Total**
REVENUES AND SUPPORT:				
Contract fees	$ 715,896	$ -	$ 715,896	$ 333,385
Grants	74,340	-	74,340	106,472
Contribution of financial assets	59,815	-	59,815	36,749
Fundraising	2,419	-	2,419	335
Other income	1,685	-	1,685	4,706
Total revenues	854,155	-	854,155	481,647
EXPENSES:				
Program expenses	614,488	-	614,488	595,642
Administrative	176,257	-	176,257	158,762
Fundraising	-	-	-	9,464
Total expenses	790,745	-	790,745	763,867
CHANGE IN NET ASSETS	63,410	-	63,410	(282,220)
NET ASSETS, Beginning	588,646	-	588,646	870,866
NET ASSETS, Ending	$ 652,056	$ -	$ 652,056	$ 588,646

See Accompanying Notes to the Financial Statements

New Entra Casa Corporation
Statement of Functional Expenses
June 30, 2026
(With Summarized Comparative Totals for 2025)

	2026				2025
	Program Expenses	**General and Administrative**	**Fundraising Expenses**	**Total**	**Total**
EXPENSES:					
Salaries	$ 403,515	$ 100,879	$ -	$ 504,394	$ 510,381
Employee benefits	42,506	10,626	-	53,132	42,226
Payroll taxes	34,765	8,691	-	43,456	44,879
Building maintenance	24,099	6,025	-	30,124	1,006
Insurance	17,932	4,483	-	22,415	27,582
Depreciation	17,379	4,345	-	21,724	26,024
Accounting	-	21,045	-	21,045	11,480
Food	20,310	-	-	20,310	18,191
Office expenses	10,153	10,153	-	20,306	20,260
Medical consultations	16,838	-	-	16,838	15,855
Auto and transportation	6,199	1,550	-	7,749	7,514
Utilities	6,147	1,537	-	7,684	6,396
Telephone	5,157	573	-	5,730	5,666
Workers compensation insurance	4,183	1,046	-	5,228	8,843
Furniture and equipment	2,532	2,532	-	5,065	3,091
Taxes, licenses, and permits	2,283	2,283	-	4,567	347
Interest expense	489	489	-	979	-
Fundraising and promotion	-	-	-	-	14,125
TOTAL EXPENSES	$ 614,488	$ 176,257	$ -	$ 790,745	$ 763,867

See Accompanying Notes to the Financial Statements

New Entra Casa Corporation
Statement of Cash Flows
June 30, 2026
(With Comparative Totals for 2025)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 63,410	$ (282,220)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	21,724	26,024
Decrease (increase) in:		
Contracts receivable	(9,437)	26,742
Increase (decrease) in:		
Accounts payable	(137)	599
Accrued expenses	(4,581)	3,072
Net cash provided (used) by operating activities	70,979	(225,783)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	-	53,224
Net cash provided in investing activities	-	53,224
CASH FLOWS FROM FINANCING ACTIVITIES		
Draw on line of credit	70,000	50,000
Repayment on line of credit	(120,000)	-
Net cash provided (used) by investing activities	(50,000)	50,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20,979	(122,559)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	54,404	176,963
CASH AND CASH EQUIVALENTS, END OF YEAR	**$** 75,383	**$** 54,404
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 979	$ -

See Accompanying Notes to the Financial Statements

Note 1. Organization:

New Entra Casa Corporation (NEC or the "Organization"), is a not-for-profit organization, organized exclusively for charitable purposes under Section 501(c)(3) of the Internal Revenue Code and was incorporated in the state of California on July 23, 1981. New Entra Casa is a place for women to receive treatment and support for both chemical dependency and mental health disorders. New Entra Casa is committed to creating an individual plan addressing substance use, co-occurring disorders and working with HEART. The Organization's goal is to help each individual learn how to incorporate these values into their own life and to give them the tools and life skills to successfully live by those values. New Entra Casa is a perinatal program that works to reunify women with their children and families.

Note 2. Significant Accounting Policies:

Method of Accounting

The financial statements of NEC 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, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported in the statement of activities as net assets released from restrictions.

NEC had no net assets with donor restrictions at June 30, 2026.

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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Note 2. Significant Accounting Policies (continued):

Comparative financial information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail and disclosures 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 NEC's financial statements for the year ended June 30, 2025, from which the summarized information was derived. Some items have been reclassified for purposes of overall comparability and consistency of presentation.

Cash and Cash Equivalents

Cash and cash equivalents are composed of cash on hand, cash in banks, and liquid investments with original maturities of three months or less.

Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off to bad debt expense. NEC determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Management determined that no allowance is necessary on June 30, 2026.

Fair Value Measurements

NEC follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. This guidance establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair values into Levels 1, 2, and 3.

Level 1 input consists of unadjusted quoted prices in active markets for identical instruments and has the highest priority. Level 2 inputs include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or inputs other than quoted prices that are directly or indirectly observable. Level 3 inputs are unobservable and are given the lowest priority.

Net Investment Income/(Loss)

Net investment income/(loss) on the Statement of Activities represents the realized and unrealized gain/(loss), interest, and dividends on investment and endowment funds, net of fees.

Impairment of Long-lived Assets

NEC evaluates its investment in long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the estimated future cash flows (undiscounted and without interest charges) from the use or disposition of an asset are less than the carrying value, a write-down will be recorded to reduce the related asset to its estimated fair value. To date, no such write-downs have occurred.

Note 2. Significant Accounting Policies (continued):

Property and Equipment

All acquisitions of property and equipment, and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Maintenance and repairs are expensed. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are generally three years for furniture and equipment, six years for vehicles and thirty to forty years for buildings and building improvements. In addition, the accounting policies prescribed by the various funding sources provide that acquisition of non-expendable property and equipment be treated as an expense in the period incurred. Equipment acquired by NEC using grant funds is considered to be owned by NEC while used in the program for which it was purchased or in other authorized programs. However, the funding source has reversionary interest in the equipment, and its disposition.

Contributions of financial assets

Contributions, including unconditional promises to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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. Expenses are reported as decreases in unrestricted net assets.

Revenue from grants is recognized to the extent of eligible cost incurred up to an amount not to exceed the total grant authorized

Contributions of Non-Financial Assets

The estimated fair value of donated goods and services is recorded in the financial statements. The donated goods are recorded at fair value. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by NEC. Volunteers provide services throughout the year that are not recognized as contributions since the recognition criteria were not met.

Functional allocation of expenses

NEC allocates its expenses on a functional basis among its various programs and supporting services. Expenditures which can be identified with a specific program or support service are allocated directly, according to their natural expenditure classification. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized, and estimates made by NEC's management.

Note 3. Income Tax Status:

NEC is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and California Code Section 23701(d) whereby it is exempt from tax on exempt income. Accordingly, no provision for income taxes is included in the accompanying financial statements.

NEC has reviewed its position for all open tax years and believes 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 statements. NEC's Federal Exempt Organization Tax Returns are subject to examination, generally for three years after they were filed.

Note 4. Property and Equipment:

Property and equipment consist of the following as of June 30, 2026:

Land	$	90,337
Building - Pershing Avenue		153,813
Back Building - Pershing Avenue		520,632
Furniture and Equipment		9,749
Automobile		35,188
Total Assets		809,720
Less: Accumulated Depreciation		(292,775)
Net Property and Equipment	$	516,944

Deprecation charged to operations for the year ended June 30, 2025 was $21,724.

Note 5. Accrued Vacation Liability:

The Organization accrues unpaid vacation time computed in accordance with the Organization's employment policy. Accumulated unpaid employee vacation is recognized as a liability on the statement of net position. The liability for accrued vacation as of June 30, 2026 was $13,899.

Note 6. Concentration of Credit Risk:

NEC maintains cash balances in three accounts at one financial institution. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. NEC's cash balance did not exceed the FDIC limit during the fiscal year.

Note 7. Concentration of Revenue:

NEC received approximately 84% of its revenue from County of San Diego contracts during the year ending June 30, 2026. Discontinuance of such support would impact NEC negatively.

Note 8. Net Assets with Donor Restrictions:

As of June 30, 2026, there are no net assets with donor restrictions and no net assets were released from donor restrictions.

Note 9. Liquidity and Availability:

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise of the following:

Cash and cash equivalents	$	75,383
Accounts receivable		94,769
Total financial assets		170,152
Less: Restricted assets		-
Total financial assets to meet cash needs for general expenditures within one year	$	170,152

From time to time, NEC receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year.

Note 10. Line of Credit:

In June 6, 2025, the Organization entered into a line of credit with California Bank & Trust with the availability to draw $75,000. The credit line carries an interest rate of 7.5% per annum with interest payments due monthly. The credit line matures in June 6, 2028. The line of credit is securitized by the organization's property. During the fiscal year NEC drew $70,000 and repaid $120,000 on this line of credit and had a remaining balance available of zero as of June 30, 2026.

Note 11. Date of Management's Review:

NEC's management has evaluated subsequent events through October 9, 2026, the date the financial statements were available to be issued.