

**A Safe Place, Inc.**

***Financial Statements***

*For the Year Ended December 31, 2023  
(with Comparative Totals for 2022)*

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
A Safe Place, Inc.

### **Opinion**

We have audited the accompanying financial statements of A Safe Place, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, 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 A Safe Place, Inc. as of December 31, 2023, and the changes in 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 A Safe Place, Inc. 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 A Safe Place, Inc.'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 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 A Safe Place, Inc.'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 A Safe Place, Inc.'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 A Safe Place, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 29, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Earnley & Company, PLLC*

Wilmington, North Carolina  
August 21, 2024

**A Safe Place, Inc.**  
**Statement of Financial Position**  
**As of December 31, 2023**

	2023		2022	
	Without Donor Restrictions	With Donor Restrictions	Total	Comparative Total
<b>ASSETS</b>				
Current Assets				
Cash & cash equivalents	\$ 676,841	\$ 45,218	\$ 722,059	\$ 712,056
Grants & contributions receivable	17,483	22,500	39,983	145,422
Total Current Assets	<u>694,324</u>	<u>67,718</u>	<u>762,042</u>	<u>857,478</u>
Net property (Note 2)	<u>741,369</u>	<u>-</u>	<u>741,369</u>	<u>34,661</u>
Other Assets				
Right-of-use asset - operating (Note 6)	<u>13,691</u>	<u>-</u>	<u>13,691</u>	<u>28,478</u>
Total Assets	<u>\$ 1,449,384</u>	<u>\$ 67,718</u>	<u>\$ 1,517,102</u>	<u>\$ 920,617</u>
<b>LIABILITIES &amp; NET ASSETS</b>				
Current Liabilities				
Accounts payable	\$ 10,733	\$ -	\$ 10,733	\$ 15,608
Payroll taxes payable	10,867	-	10,867	8,194
Short-term operating lease liability (Note 6)	13,691	-	13,691	14,787
Current maturities of debt (Note 4)	<u>25,915</u>	<u>-</u>	<u>25,915</u>	<u>-</u>
Total Current Liabilities	<u>61,206</u>	<u>-</u>	<u>61,206</u>	<u>38,589</u>
Long-Term Liabilities				
Long-term operating lease liability (Note 6)	-	-	-	13,691
Long-term debt (Note 4)	<u>499,322</u>	<u>-</u>	<u>499,322</u>	<u>-</u>
Total Long-Term Liabilities	<u>499,322</u>	<u>-</u>	<u>499,322</u>	<u>13,691</u>
Total Liabilities	<u>560,528</u>	<u>-</u>	<u>560,528</u>	<u>52,280</u>
Net Assets				
Without donor restrictions	888,856	-	888,856	766,699
With donor restrictions	<u>-</u>	<u>67,718</u>	<u>67,718</u>	<u>101,638</u>
Total Net Assets	<u>888,856</u>	<u>67,718</u>	<u>956,574</u>	<u>868,337</u>
Total Liabilities & Net Assets	<u>\$ 1,449,384</u>	<u>\$ 67,718</u>	<u>\$ 1,517,102</u>	<u>\$ 920,617</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**A Safe Place, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2023**

	2023		2022 Comparative Total	
	Without Donor Restrictions	With Donor Restrictions		Total
<b>SUPPORT &amp; REVENUE</b>				
Government & other public support grants (Note 7)	\$ -	\$ 798,562	\$ 798,562	\$ 947,957
Contributions	250,547	-	250,547	231,826
Fundraising, net	260,602	-	260,602	210,743
Program fees	11,494	-	11,494	8,276
Church donations	30,025	-	30,025	25,198
In-kind contributions	41,014	-	41,014	9,315
Net assets released from restriction	832,482	(832,482)	-	-
Total Support & Revenue	<u>1,426,164</u>	<u>(33,920)</u>	<u>1,392,244</u>	<u>1,433,315</u>
<b>EXPENSES</b>				
Program	1,090,597	-	1,090,597	853,010
Administration	71,736	-	71,736	58,434
Fundraising	141,674	-	141,674	130,023
Total Expenses	<u>1,304,007</u>	<u>-</u>	<u>1,304,007</u>	<u>1,041,467</u>
<b>Change in Net Assets</b>	122,157	(33,920)	88,237	391,848
<b>Net Assets, Beginning</b>	<u>766,699</u>	<u>101,638</u>	<u>868,337</u>	<u>476,489</u>
<b>Net Assets, Ending</b>	<u>\$ 888,856</u>	<u>\$ 67,718</u>	<u>\$ 956,574</u>	<u>\$ 868,337</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**A Safe Place, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2023**

	2023				2022
	Program	Administration	Fundraising	Total	Comparative Total
Salaries	\$ 321,709	\$ 57,881	\$ 126,134	\$ 505,724	\$ 508,107
Payroll taxes	29,381	5,286	11,520	46,187	45,491
Total Salaries & Related	<u>351,090</u>	<u>63,167</u>	<u>137,654</u>	<u>551,911</u>	<u>553,598</u>
Facilities	223,439	6,910	-	230,349	127,456
Supplies	72,237	744	1,276	74,257	92,940
Professional fees	9,792	-	-	9,792	8,285
Insurance	45,879	-	-	45,879	39,952
Occupancy	188,390	-	-	188,390	118,760
Travel	6,316	-	-	6,316	469
Printing & publication advocacy	29,026	-	-	29,026	27,034
Professional fees advocacy	22,194	-	-	22,194	29,043
Counseling	36,015	-	-	36,015	716
Education	38,224	-	-	38,224	15,743
Programs	150	-	-	150	4,060
Fundraising expenses	-	-	49,477	49,477	16,804
In-kind expense	41,014	-	-	41,014	9,315
Depreciation	26,831	915	2,744	30,490	14,096
Total Expenses	<u>1,090,597</u>	<u>71,736</u>	<u>191,151</u>	<u>1,353,484</u>	<u>1,058,271</u>
Less: Netted fundraising expenses	<u>-</u>	<u>-</u>	<u>(49,477)</u>	<u>(49,477)</u>	<u>(16,804)</u>
Expenses	<u>\$ 1,090,597</u>	<u>\$ 71,736</u>	<u>\$ 141,674</u>	<u>\$ 1,304,007</u>	<u>\$ 1,041,467</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**A Safe Place, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2022**

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	2022			
	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 342,289	\$ 49,437	\$ 116,381	\$ 508,107
Payroll taxes	31,233	3,838	10,420	45,491
Total Salaries & Related	<u>373,522</u>	<u>53,275</u>	<u>126,801</u>	<u>553,598</u>
Facilities	123,632	3,824	-	127,456
Supplies	90,075	912	1,953	92,940
Professional fees	8,285	-	-	8,285
Insurance	39,952	-	-	39,952
Occupancy	118,760	-	-	118,760
Travel	469	-	-	469
Printing & publication advocacy	27,034	-	-	27,034
Professional fees advocacy	29,043	-	-	29,043
Counseling	716	-	-	716
Education	15,743	-	-	15,743
Programs	4,060	-	-	4,060
Fundraising expenses	-	-	16,804	16,804
In-kind expense	9,315	-	-	9,315
Depreciation	<u>12,404</u>	<u>423</u>	<u>1,269</u>	<u>14,096</u>
Total Expenses	853,010	58,434	146,827	1,058,271
Less: Netted fundraising expenses	<u>-</u>	<u>-</u>	<u>(16,804)</u>	<u>(16,804)</u>
Expenses	<u>\$ 853,010</u>	<u>\$ 58,434</u>	<u>\$ 130,023</u>	<u>\$ 1,041,467</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**A Safe Place, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

	2023		2022	
	Without Donor Restrictions	With Donor Restrictions	Total	Comparative Total
<b>Cash Flows From Operating Activities</b>				
Cash Collections for:				
Contributions & other fees	\$ 658,107	\$ (33,920)	\$ 624,187	\$ 408,778
Less: Cash Payments for:				
Salaries & other operating expenses	(1,225,024)	-	(1,225,024)	(1,019,199)
Net assets released from restriction	832,482	-	832,482	923,394
Net Cash Provided (Used)				
By Operating Activities	<u>265,565</u>	<u>(33,920)</u>	<u>231,645</u>	<u>312,973</u>
<b>Cash Flows From Investing Activities</b>				
Purchase of property & equipment	<u>(737,198)</u>	-	<u>(737,198)</u>	-
Net Cash Provided (Used)				
By Investing Activities	<u>(737,198)</u>	-	<u>(737,198)</u>	-
<b>Cash Flows From Financing Activities</b>				
Draws (payments) on debt	<u>515,556</u>	-	<u>515,556</u>	<u>(40,204)</u>
Net Cash Provided (Used)				
By Financing Activities	<u>515,556</u>	-	<u>515,556</u>	<u>(40,204)</u>
<b>Net Increase (Decrease) in Cash</b>	43,923	(33,920)	10,003	272,769
<b>Cash &amp; Cash Equivalents, Beginning</b>	<u>632,918</u>	<u>79,138</u>	<u>712,056</u>	<u>439,287</u>
<b>Cash &amp; Cash Equivalents, Ending</b>	<u>\$ 676,841</u>	<u>\$ 45,218</u>	<u>\$ 722,059</u>	<u>\$ 712,056</u>
<b>Reconciliation of Change in Net Assets to Cash Provided (Used) By Operating Activities:</b>				
Change in net assets	\$ 122,157	\$ (33,920)	\$ 88,237	\$ 391,848
Depreciation	30,490	-	30,490	14,096
(Increase) Decrease in:				
Grants & contributions receivable	105,439	-	105,439	(91,828)
Increase (Decrease) in:				
Accounts payable & other current liabilities	<u>7,479</u>	-	<u>7,479</u>	<u>(1,143)</u>
Net Cash Provided (Used)				
By Operating Activities	<u>\$ 265,565</u>	<u>\$ (33,920)</u>	<u>\$ 231,645</u>	<u>\$ 312,973</u>
<b>Supplemental Disclosure</b>				
Interest paid			<u>\$ 97</u>	<u>\$ 1,697</u>
Income taxes paid			<u>\$ -</u>	<u>\$ -</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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**1. ORGANIZATION**

A Safe Place, Inc. (the "Organization") is an empowerment organization focusing on prevention, advocacy, and restoration to assist victims of commercial sexual exploitation and domestic sex trafficking. Founded in 2011, the Organization operates a toll-free, anonymous hotline, established for victimized individuals, tipsters, and general information inquiries. The Organization is committed to connecting with sexually exploited girls and women in the sex industry by conducting street outreach, placing outbound calls, and making the hotline number readily accessible in high-risk locations. The Organization's emergency housing facility offers survivors of commercial sexual exploitation and human trafficking free crisis housing for up to 30 days in a safe, secure location, monitored 24/7 by trained staff members. Direct support services and the Outreach Center are available to any victim identified by the Organization, partner organizations, or law enforcement. Complete case management is provided in a safe and inviting environment, where young women are able to engage with others in the program, have one-on-one time with staff and volunteers, and attend weekly survivor-led girls group. Members create specialized success strategy, which details her personal, educational, and career goals. All members receive weekly trauma counseling and access to educational/vocational training. The Organization generates the majority of its revenue from government grants, contributions, and fundraisers.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit organizations using the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recorded when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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Net Assets

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-) imposed restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

**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 that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, which is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization had \$67,718 of net assets with donor restrictions as of December 31, 2023 and \$101,638 of net assets with donor restrictions as of December 31, 2022.

All contributions are considered available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposit with original maturities of 90 days or less. Cash and cash equivalents are as follows as of December 31:

	<u>2023</u>	<u>2022</u>
First Citizens Bank - Checking	\$ 629,747	\$ 645,051
Dogwood State Bank - Checking	50,000	50,000
QuickBooks - Checking	970	-
Undeposited Funds	<u>41,342</u>	<u>17,005</u>
Total Cash & Cash Equivalents	<u>\$ 722,059</u>	<u>\$ 712,056</u>

Grants Receivable

Grants receivable are primarily unsecured, non-interest bearing amounts due from grantors on cost reimbursement grants. Management believes that all outstanding grants receivable are collectible in full; therefore, no allowance for uncollectible receivables has been provided.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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Property and Equipment

Capital expenditures for the acquisition of property and equipment are recorded at cost and donated assets are recorded at fair market value as of the date of donation. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets, which range from 5 to 40 years.

Land, buildings, furniture and fixtures, and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period. The following is a summary of property accounts as of December 31:

	<u>2023</u>	<u>2022</u>
Leasehold improvements	\$ 45,562	\$ 45,562
Furniture & fixtures	11,221	11,221
Machinery & equipment	12,198	-
Vehicles & trucks	15,876	15,876
Computer equipment	14,044	14,044
Land	199,546	-
Building	525,454	-
	<u>823,901</u>	<u>86,703</u>
Less: Accumulated depreciation	<u>(82,532)</u>	<u>(52,042)</u>
Net Property	<u>\$ 741,369</u>	<u>\$ 34,661</u>

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) asset, short-term operating lease liability, and long-term operating lease liability on the Organization's statement of financial position. Operating lease ROU asset and operating lease liability are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The rates implicit within the Organization's leases are generally not determinable; therefore, the Organization uses judgement to determine the incremental borrowing rate used to calculate the present value of lease payments. The incremental borrowing rate is determined using information available related to similar terms and payments as of the commencement date. ROU asset is assessed for impairment in accordance with the Organization's accounting policy for long-lived assets. The Organization's lease terms include options to extend or terminate. The period which is subject to an option to extend the lease is included in the lease term if it is reasonably certain that the option will be exercised. The period which is subject to an option to terminate the lease is included in the contract if it is reasonably certain that the option will not be exercised. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. For all material classes of leased assets, the Organization does not separate lease components from non-lease components, and account for both components as a single lease component.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises, such as matching grants, are not recognized until they become unconditional, which is until all conditions on which they depend are substantially met.

Contributed Facilities, Materials, and Services

Where contributed facilities, materials, and services meet the criteria for recognition, they are recorded as in-kind contributions. For the year ended December 31, 2023, \$41,014 was reported in the financial statements as in-kind revenue and expense. The Organization also received 181 hours of general volunteer hours during the fiscal year.

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using objective bases, such as time spent, salaries, square feet, and other bases.

Administration expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Administration activities include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others. Fundraising costs, including advertising, are expensed as incurred even though they may result in contributions received in future years.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, contributions to the Organization may be tax deductible and related purpose income is exempt from income taxes. The Organization files Form 990 annually with the Internal Revenue Service (IRS), and generally, the return is subject to examination for a period of three years from the date filed. Management believes the oldest open tax year is 2020.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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Comparative Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total, but not by net asset 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 (GAAP). Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

Subsequent events have been evaluated through August 21, 2024, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**3. LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available to meet general expenditures over the next 12 months are as follows as of December 31:

	<u>2023</u>	<u>2022</u>
Financial Assets at Year End:		
Cash & cash equivalents	\$ 722,059	\$ 712,056
Grants & contributions receivable	<u>39,983</u>	<u>145,422</u>
Total Financial Assets at Year End	<u>762,042</u>	<u>857,478</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 762,042</u>	<u>\$ 857,478</u>

The Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. The accompanying statement of cash flows on page 8 identifies the sources and uses of cash and shows positive cash generated by operations. The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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**4. LONG-TERM DEBT**

Long-term debt consists of the following as of December 31:

	<u>2023</u>	<u>2022</u>
In 2023, the Organization received a loan with Dogwood State Bank for \$525,237 at a 6.75% interest rate. The Organization will make 49 equal monthly payments of \$4,836 each commencing on March 5, 2023 and one irregular last payment estimated at \$424,213. Final payment is due on February 5, 2028.		
	\$ 525,237	\$ -
Total Debt	525,237	-
Less: Current maturities	<u>(25,915)</u>	<u>-</u>
Total Long-Term Debt, Net	<u>\$ 499,322</u>	<u>\$ -</u>

Future maturities are as follows as of December 31, 2023:

2024	\$ 25,915
2025	25,093
2026	26,840
2027	28,709
2028	418,680
Thereafter	<u>-</u>
Total	<u>\$ 525,237</u>

**5. LINE OF CREDIT**

The Organization maintains a \$100,000 line of credit with First Citizens Bank to alleviate cash flow constraints. The terms include interest based on The Wall Street Journal prime plus 0.5%. The line of credit had no outstanding balance as of December 31, 2023 or 2022.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

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**6. OPERATING LEASE**

The Organization leases office space in Wilmington, North Carolina. The Wilmington lease has a remaining term of one year. The exercise of lease renewal options is at the Organization's sole discretion. The depreciable lives of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.

As of December 31, 2023, the statement of financial position includes \$13,691 of operating lease asset, \$13,691 of short-term operating lease liability, and \$0 of long-term operating lease liability.

The components of the lease expense are as follows for the year ended December 31:

	<u>2023</u>
Operating lease expense	<u>\$ 15,000</u>
Total	<u>\$ 15,000</u>

Supplemental information related to the lease is as follows:

Cash paid for amounts included in the measurement of lease liability:	
Operating cash flows from operating lease	\$ 15,000
ROU asset obtained in exchange for new operating lease liability	\$ -
Weighted-average remaining lease term in years for operating lease	0.92
Weighted-average discount rate for operating lease	1.04%

Future minimum lease payments under the non-cancellable lease are as follows:

	<u>Years Ending December 31:</u>	
2024		\$ 13,750
2025		-
2026		-
2027		-
2028		-
Thereafter		-
Total Undiscounted Cash Flows		<u>13,750</u>
Less: Present value discount		<u>(59)</u>
Total Lease Liability		<u>\$ 13,691</u>

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2023**

**7. GOVERNMENT AND OTHER PUBLIC SUPPORT GRANTS**

Grant activity consists of the following for the year ended December 31, 2023:

	End of Year <u>12/31/2022</u>	Grants Received	Grants Released	End of Year <u>12/31/2023</u>
Governmental Grants:				
The Eshelman Foundation	\$ -	\$ 15,000	\$ (11,425)	\$ 3,575
GCC	-	409,437	(409,437)	-
Cape Fear Memorial Foundation	-	30,000	(12,921)	17,079
New Hanover County General Account	42,500	42,750	(75,631)	9,619
United Way of the Cape Fear Area	-	2,500	(2,397)	103
Live Oak Bank	-	50,000	(37,187)	12,813
NHC ABC Board	50,000	75,000	(121,250)	3,750
NC Community Foundation Bruns. Co.	-	1,000	(1,000)	-
NC Community Foundation NH. Co.	1,638	-	(1,638)	-
The Landfall Foundation	7,500	30,000	(37,500)	-
The Beaver Family Foundation	-	7,500	(458)	7,042
Novant Medical	-	6,000	(5,829)	171
The Cynthia and George Mitchell Foundation	-	10,000	(10,000)	-
Atlas Free (Rescue Freedom)	-	87,083	(87,083)	-
Saint Peter Lutheran Church	-	2,000	(1,559)	441
Ministering Circle	-	10,000	(550)	9,450
The RBC Foundation	-	2,500	-	2,500
Walmart	-	1,175	-	1,175
City of Wilmington	-	16,617	(16,617)	-
Total	<u>\$ 101,638</u>	<u>\$ 798,562</u>	<u>\$ (832,482)</u>	<u>\$ 67,718</u>

**8. RISK MANAGEMENT**

The Organization is exposed to various risks of loss in the ordinary course of business as a result of torts, theft of, damage to, or destruction of assets, business interruption, allegations of liability, natural disasters, employee and officer errors and omissions, and employee workers' compensation and medical claims.

The Organization purchases commercial insurance coverage against risk of loss due to errors and omissions, property damage and theft, and various other insurable risks. The Organization carried property insurance in the amount of \$2,000,000 for 2023 for all insured property-related risks. For 2023, the Organization was insured for workers' compensation and employer's liability. The Organization was also insured for social service professional coverage, improper sexual conduct and physical abuse coverage, and commercial liquor liability coverage with a combined aggregate limit of liability of \$4,000,000. No claim payment has exceeded insurance coverage in the past three fiscal years where insurance coverage applies, subject to the deductibles and retentions.