

**A Safe Place, Inc.**

***Financial Statements***

*For the Year Ended December 31, 2024  
(with Comparative Totals for 2023)*

## **A Safe Place, Inc.**

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# EARNEY

Accountants & Advisors

## 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, 2024, 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, 2024, 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 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 21, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*EARNEY Accountants & Advisors, PLLC*

Wilmington, North Carolina  
August 29, 2025

**A Safe Place, Inc.**  
**Statement of Financial Position**  
**As of December 31, 2024**

	2024		Total	2023
	Without Donor Restrictions	With Donor Restrictions		Comparative Total
<b>ASSETS</b>				
Current Assets				
Cash & cash equivalents	\$ 36,796	\$ 1,934,736	\$ 1,971,532	\$ 722,059
Grants & contributions receivable	825	-	825	39,983
Total Current Assets	<u>37,621</u>	<u>1,934,736</u>	<u>1,972,357</u>	<u>762,042</u>
Net property (Note 2)	<u>1,062,276</u>	<u>-</u>	<u>1,062,276</u>	<u>741,369</u>
Other Assets				
Right-of-use asset - operating (Note 6)	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,691</u>
Total Assets	<u>\$ 1,099,897</u>	<u>\$ 1,934,736</u>	<u>\$ 3,034,633</u>	<u>\$ 1,517,102</u>
<b>LIABILITIES &amp; NET ASSETS</b>				
Current Liabilities				
Accounts payable	\$ 22,626	\$ -	\$ 22,626	\$ 10,733
Payroll taxes payable	-	-	-	10,867
Short-term operating lease liability (Note 6)	-	-	-	13,691
Current maturities of debt (Note 4)	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,915</u>
Total Current Liabilities	<u>22,626</u>	<u>-</u>	<u>22,626</u>	<u>61,206</u>
Long-Term Liabilities				
Long-term debt (Note 4)	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,322</u>
Total Long-Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,322</u>
Total Liabilities	<u>22,626</u>	<u>-</u>	<u>22,626</u>	<u>560,528</u>
Net Assets				
Without donor restrictions	1,077,271	-	1,077,271	888,856
With donor restrictions	<u>-</u>	<u>1,934,736</u>	<u>1,934,736</u>	<u>67,718</u>
Total Net Assets	<u>1,077,271</u>	<u>1,934,736</u>	<u>3,012,007</u>	<u>956,574</u>
Total Liabilities & Net Assets	<u>\$ 1,099,897</u>	<u>\$ 1,934,736</u>	<u>\$ 3,034,633</u>	<u>\$ 1,517,102</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, 2024**

	2024		Total	2023
	Without Donor Restrictions	With Donor Restrictions		Comparative Total
<b>SUPPORT &amp; REVENUE</b>				
Government & other public support grants (Note 7)	\$ 47,500	\$ 2,624,246	\$ 2,671,746	\$ 798,562
Contributions	184,129	-	184,129	250,547
Fundraising, net	136,715	-	136,715	260,602
Program fees	4,800	-	4,800	11,494
Church donations	-	-	-	30,025
In-kind contributions	-	-	-	41,014
Interest income	11,055	-	11,055	-
Net assets released from restriction	<u>757,228</u>	<u>(757,228)</u>	<u>-</u>	<u>-</u>
Total Support & Revenue	<u>1,141,427</u>	<u>1,867,018</u>	<u>3,008,445</u>	<u>1,392,244</u>
<b>EXPENSES</b>				
Program	710,015	-	710,015	1,090,597
Administration	91,298	-	91,298	71,736
Fundraising	<u>151,699</u>	<u>-</u>	<u>151,699</u>	<u>141,674</u>
Total Expenses	<u>953,012</u>	<u>-</u>	<u>953,012</u>	<u>1,304,007</u>
<b>Change in Net Assets</b>	188,415	1,867,018	2,055,433	88,237
<b>Net Assets, Beginning</b>	<u>888,856</u>	<u>67,718</u>	<u>956,574</u>	<u>868,337</u>
<b>Net Assets, Ending</b>	<u>\$ 1,077,271</u>	<u>\$ 1,934,736</u>	<u>\$ 3,012,007</u>	<u>\$ 956,574</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, 2024**

	2024			Total	2023
	Program	Administration	Fundraising		Comparative Total
Salaries	\$ 264,910	\$ 80,678	\$ 135,754	\$ 481,342	\$ 505,724
Payroll taxes	24,590	7,489	12,601	44,680	46,187
Total Salaries & Related	<u>289,500</u>	<u>88,167</u>	<u>148,355</u>	<u>526,022</u>	<u>551,911</u>
Facilities	50,286	1,555	-	51,841	230,349
Supplies	27,997	616	464	29,077	74,257
Professional fees	14,462	-	-	14,462	9,792
Insurance	52,906	-	-	52,906	45,879
Occupancy	97,106	-	-	97,106	188,390
Travel	16,900	-	-	16,900	6,316
Printing & publication advocacy	19,601	-	-	19,601	29,026
Professional fees advocacy	17,827	-	-	17,827	22,194
Counseling	65,961	-	-	65,961	36,015
Education	19,230	-	-	19,230	38,224
Programs	10,083	-	-	10,083	150
Fundraising expenses	-	-	50,980	50,980	49,477
In-kind expense	-	-	-	-	41,014
Depreciation	28,156	960	2,880	31,996	30,490
Total Expenses	710,015	91,298	202,679	1,003,992	1,353,484
Less: Netted fundraising expenses	-	-	(50,980)	(50,980)	(49,477)
Expenses	<u>\$ 710,015</u>	<u>\$ 91,298</u>	<u>\$ 151,699</u>	<u>\$ 953,012</u>	<u>\$ 1,304,007</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**

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	2023			
	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 321,709	\$ 57,881	\$ 126,134	\$ 505,724
Payroll taxes	29,381	5,286	11,520	46,187
Total Salaries & Related	<u>351,090</u>	<u>63,167</u>	<u>137,654</u>	<u>551,911</u>
Facilities	223,439	6,910	-	230,349
Supplies	72,237	744	1,276	74,257
Professional fees	9,792	-	-	9,792
Insurance	45,879	-	-	45,879
Occupancy	188,390	-	-	188,390
Travel	6,316	-	-	6,316
Printing & publication advocacy	29,026	-	-	29,026
Professional fees advocacy	22,194	-	-	22,194
Counseling	36,015	-	-	36,015
Education	38,224	-	-	38,224
Programs	150	-	-	150
Fundraising expenses	-	-	49,477	49,477
In-kind expense	41,014	-	-	41,014
Depreciation	26,831	915	2,744	30,490
Total Expenses	1,090,597	71,736	191,151	1,353,484
Less: Netted fundraising expenses	-	-	(49,477)	(49,477)
Expenses	<u>\$ 1,090,597</u>	<u>\$ 71,736</u>	<u>\$ 141,674</u>	<u>\$ 1,304,007</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, 2024**

	2024		Total	2023
	Without Donor Restrictions	With Donor Restrictions		Comparative Total
<b>Cash Flows From Operating Activities</b>				
Cash Collections for:				
Contributions & other fees	\$ 400,857	\$ 1,889,518	\$ 2,290,375	\$ 624,187
Less: Cash Payments for:				
Salaries & other operating expenses	(919,990)	-	(919,990)	(1,225,024)
Net assets released from restriction	<u>757,228</u>	<u>-</u>	<u>757,228</u>	<u>832,482</u>
Net Cash Provided (Used) By Operating Activities	<u>238,095</u>	<u>1,889,518</u>	<u>2,127,613</u>	<u>231,645</u>
<b>Cash Flows From Investing Activities</b>				
Purchase of property & equipment	<u>(352,903)</u>	<u>-</u>	<u>(352,903)</u>	<u>(737,198)</u>
Net Cash Provided (Used) By Investing Activities	<u>(352,903)</u>	<u>-</u>	<u>(352,903)</u>	<u>(737,198)</u>
<b>Cash Flows From Financing Activities</b>				
Draws (payments) on debt	<u>(525,237)</u>	<u>-</u>	<u>(525,237)</u>	<u>515,556</u>
Net Cash Provided (Used) By Financing Activities	<u>(525,237)</u>	<u>-</u>	<u>(525,237)</u>	<u>515,556</u>
<b>Net Increase (Decrease) in Cash</b>	(640,045)	1,889,518	1,249,473	10,003
<b>Cash &amp; Cash Equivalents, Beginning</b>	<u>676,841</u>	<u>45,218</u>	<u>722,059</u>	<u>712,056</u>
<b>Cash &amp; Cash Equivalents, Ending</b>	<u>\$ 36,796</u>	<u>\$ 1,934,736</u>	<u>\$ 1,971,532</u>	<u>\$ 722,059</u>
<b>Reconciliation of Change in Net Assets to Cash Provided (Used) By Operating Activities:</b>				
Change in net assets	\$ 188,415	\$ 1,867,018	\$ 2,055,433	\$ 88,237
Depreciation	31,996	-	31,996	30,490
(Increase) Decrease in:				
Grants & contributions receivable	16,658	22,500	39,158	105,439
Increase (Decrease) in:				
Accounts payable & other current liabilities	<u>1,026</u>	<u>-</u>	<u>1,026</u>	<u>7,479</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 238,095</u>	<u>\$ 1,889,518</u>	<u>\$ 2,127,613</u>	<u>\$ 231,645</u>
<b>Supplemental Disclosure</b>				
Interest paid			<u>\$ -</u>	<u>\$ 97</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, 2024**

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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, 2024**

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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 \$1,934,736 of net assets with donor restrictions as of December 31, 2024 and \$67,718 of net assets with donor restrictions as of December 31, 2023.

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>2024</u>	<u>2023</u>
First Citizens Bank - Checking	\$ 233,057	\$ 629,747
Dogwood State Bank - Checking 1	41,943	50,000
QuickBooks - Checking	12,713	970
Dogwood State Bank - Checking 2	2,493	-
First Citizens Bank - Money Market	1,678,194	-
Undeposited Funds	3,132	41,342
Total Cash & Cash Equivalents	<u>\$ 1,971,532</u>	<u>\$ 722,059</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, 2024**

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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>2024</u>	<u>2023</u>
Land	\$ 199,546	\$ 199,546
Building	525,454	525,454
Leasehold improvements	45,562	45,562
Furniture & fixtures	11,221	11,221
Machinery & equipment	12,198	12,198
Vehicles & trucks	33,035	15,876
Computer equipment	14,044	14,044
Construction in progress	<u>335,744</u>	<u>-</u>
	1,176,804	823,901
Less: Accumulated depreciation	<u>(114,528)</u>	<u>(82,532)</u>
Net Property	<u>\$ 1,062,276</u>	<u>\$ 741,369</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 judgment 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, 2024**

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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, 2024, \$0 was reported in the financial statements as in-kind revenue and expense. The Organization also received 215 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 2021.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024**

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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, 2023, 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 29, 2025, 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>2024</u>	<u>2023</u>
Financial Assets at Year End:		
Cash & cash equivalents	\$ 36,796	\$ 676,841
Grants & contributions receivable	<u>825</u>	<u>17,483</u>
Total Financial Assets at Year End	<u>37,621</u>	<u>694,324</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 37,621</u>	<u>\$ 694,324</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, 2024**

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**4. LONG-TERM DEBT**

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

	<u>2024</u>	<u>2023</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. The remaining balance of the loan was paid off in full in December 2024.	\$ -	\$ 525,237
Total Debt	-	525,237
Less: Current maturities	-	(25,915)
Total Long-Term Debt, Net	<u>\$ -</u>	<u>\$ 499,322</u>

The are no future maturities as of December 31, 2024.

**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, 2024 or 2023.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024**

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**6. OPERATING LEASE**

The Organization leases office space in Wilmington, North Carolina. There are no remaining lease terms. 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, 2024, the statement of financial position includes \$0 of operating lease asset, short-term operating lease liability, and long-term operating lease liability.

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

	<u>2024</u>
Operating lease expense	<u>\$ 13,750</u>
Total	<u>\$ 13,750</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	\$ 13,750
ROU asset obtained in exchange for new operating lease liability	\$ -
Weighted-average remaining lease term in years for operating lease	-
Weighted-average discount rate for operating lease	0.00%

There are no future minimum lease payments.

**A Safe Place, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024**

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

Grant activity consists of the following for the year ended December 31, 2024:

	End of Year <u>12/31/2023</u>	Grants Received	Grants Released	End of Year <u>12/31/2024</u>
Government Grants and Other Public Support:				
Eshelman Foundation	\$ 3,575	\$ 10,000	\$ (6,934)	\$ 6,641
Cape Fear Memorial Foundation	17,079	40,000	(21,167)	35,912
New Hanover County General Account	9,619	12,453	(22,072)	-
United Way of the Cape Fear Area	103	5,000	-	5,103
Live Oak Bank	12,813	65,000	(15,250)	62,563
NHC ABC Board	3,750	95,000	(81,177)	17,573
Goodwill	-	25,000	(25,000)	-
Beaver Family Foundation	7,042	8,000	(7,755)	7,287
Novant Medical	171	-	(171)	-
NHC Endowment	-	1,200,000	(63,101)	1,136,899
Atlas Free (Rescue Freedom)	-	37,500	(37,500)	-
Saint Peter Lutheran Church	441	2,000	-	2,441
The Landfall Foundation	-	7,500	-	7,500
Ministering Circle	9,450	-	(5,273)	4,177
RBC Foundation	2,500	2,500	(5,000)	-
Walmart	1,175	-	(1,175)	-
NC Department of State	-	1,000,000	(343,450)	656,550
Human Trafficking Commission	-	160,963	(122,203)	38,760
Extension Master Gardener Volunteer Association of New Hanover County	-	830	-	830
Total	<u>\$ 67,718</u>	<u>\$ 2,671,746</u>	<u>\$ (757,228)</u>	<u>\$ 1,982,236</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 general liability insurance in the amount of \$2,000,000 for 2024 for all insured property-related risks. For 2024, the Organization was insured for workers' compensation and employer's liability. The Organization was also insured for social service professional coverage, improper sexual conduct, business auto liability coverage, and commercial liquor liability coverage with a combined aggregate limit of liability of \$5,000,000. No claim payment has exceeded insurance coverage in the past three fiscal years where insurance coverage applies, subject to the deductibles and retentions.

**A Safe Place, Inc.**  
**Schedule of Expenditures of State Awards**  
**December 31, 2024**

Grantor/Pass-Through Program Title	Total State Revenues	Total State Expenditures
<u>N.C. Office of State Budget and Management</u>		
Special Appropriations - General Assembly Appropriation Bills	\$ 1,000,000	\$ 283,370
Total State Awards	<u>\$ 1,000,000</u>	<u>\$ 283,370</u>

**Notes to Schedule of Expenditures of State Awards**  
**December 31, 2024**

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of state awards (the "Schedule") includes the state award activity of A Safe Place, Inc. (the "Organization") under programs of the state government for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or changes in cash flows of the Organization.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



# EARNEY

Accountants & Advisors

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR A STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; WITH OMB UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Directors of  
A Safe Place, Inc.  
Wrightsville Beach, North Carolina

### **Report on Compliance for the General Assembly Appropriation Bills**

#### **Opinion on the General Assembly Appropriation Bills**

We have audited A Safe Place, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on its General Assembly Appropriation Bills for the year ended December 31, 2024. A Safe Place, Inc.'s State program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, A Safe Place, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its General Assembly Appropriation Bills for the year ended December 31, 2024.

#### **Basis for Opinion on the General Assembly Appropriation Bills**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the General Assembly Appropriation Bills. Our audit does not provide a legal determination of A Safe Place, Inc.'s compliance with the compliance requirements referred to above.

## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the General Assembly Appropriation Bills.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on A Safe Place, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about A Safe Place, Inc.'s compliance with the requirements of the State program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 A Safe Place, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of A Safe Place, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of A Safe Place, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on Internal Control Over Compliance

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*EARNEY Accountants & Advisors, PLLC*

Wilmington, North Carolina  
August 29, 2025

**A Safe Place, Inc.**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2024**

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**Section I – Summary of Auditor’s Results**

Financial Statements

Type of Auditor’s report issued on the financial statements:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Significant deficiencies identified?  Yes  None reported

Noncompliance material to financial statements noted?

Yes  No

State Awards

Internal control over major state programs:

- Material weakness identified?  Yes  No
- Significant deficiencies identified?  Yes  None reported

Type of Auditor’s report issued on compliance for major state programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?

Yes  No

Identification of major state programs:

Program Name

General Assembly  
 Appropriation Bills

Dollar threshold used to determine a major state program

\$750,000

Auditee qualified as low-risk auditee?

Yes  No

**A Safe Place, Inc.**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2024**

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**Section II – Financial Statement Findings**

None reported.

**Section III – State Award Findings and Questioned Costs**

None reported.