Domestic Violence Project, Inc.
d/b/a SafeHouse Center

Financial Statements

September 30, 2025 and 2024

YEO & YEO

BUSINESS SUCCESS PARTNERS

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Independent Auditors' Report

Management and the Board of Directors
Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Ann Arbor, MI 48105

Opinion

We have audited the accompanying financial statements of Domestic Violence Project, Inc. d/b/a SafeHouse Center, which comprise the balance sheet as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 Domestic Violence Project, Inc. d/b/a SafeHouse Center as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Domestic Violence Project, Inc. d/b/a SafeHouse Center 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 these 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 Domestic Violence Project, Inc. d/b/a SafeHouse Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 and *Government 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 and *Government 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 Domestic Violence Project, Inc. d/b/a SafeHouse Center'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 Domestic Violence Project, Inc. d/b/a SafeHouse Center'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2026 on our consideration of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Ann Arbor, Michigan
March 2, 2026

Domestic Violence Project, Inc. d/b/a Safehouse Center
Balance Sheet
September 30, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	**$ 697,568**	$ 442,282
Investments	**58,677**	57,363
Grants billing receivable and unbilled grant costs	**230,937**	273,896
Donated use of building, current portion	**139,104**	151,526
Other receivable	**6,000**	7,305
Prepaid expenses	**29,593**	24,886
Total current assets	**1,161,879**	957,258
Donated use of building	**2,062,410**	2,263,818
Beneficial interest in the assets of the Ann Arbor Area Community Foundation	**429,529**	401,408
Property and equipment, net	**125,149**	129,732
Right of use asset - operating lease, net	**2,305**	3,415
Right of use asset - finance lease, net	**20,768**	26,847
Total assets	**$ 3,802,040**	$ 3,782,478
Liabilities and Net Assets		
Current liabilities		
Accounts payable	**$ 31,510**	$ 16,096
Accrued payroll and withholdings	**57,642**	51,787
Accrued compensated absences	**71,155**	76,482
Operating lease obligation, current portion	**1,276**	1,247
Finance lease obligation, current portion	**5,974**	5,681
Due to funder, current portion	**14,331**	13,499
Total current liabilities	**181,888**	164,792

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc. d/b/a Safehouse Center
Balance Sheet
September 30, 2025 and 2024

	2025	2024
Long-term liabilities		
Operating lease obligation, net of current portion	**1,380**	2,168
Finance lease obligation, net of current portion	**15,737**	21,711
Due to funder, net of current portion	**103,914**	118,245
Total long-term liabilities	**121,031**	142,124
Total liabilities	**302,919**	306,916
Net assets		
Without donor restrictions		
Undesignated	**691,848**	500,013
Board designated	**13,779**	12,638
Total without donor restrictions	**705,627**	512,651
With donor restrictions		
Purpose restrictions	**463,832**	419,419
Time-restricted for future periods	**2,201,514**	2,415,344
Perpetual in nature	**128,148**	128,148
Total with donor restrictions	**2,793,494**	2,962,911
Total net assets	**3,499,121**	3,475,562
Total liabilities and net assets	**$ 3,802,040**	$ 3,782,478

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc. d/b/a Safehouse Center
Statement of Activities
For the Years Ended September 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, support and gains (losses)						
Contributions	$ 979,648	$ 82,200	**$ 1,061,848**	$ 784,191	$ 132,106	$ 916,297
Contributed nonfinancial assets	440,013	-	**440,013**	485,905	-	485,905
Government grants	1,865,339	-	**1,865,339**	1,749,083	-	1,749,083
Special event revenue	65,506	-	**65,506**	65,086	-	65,086
Change in beneficial interest	28,121	-	**28,121**	55,030	-	55,030
Investment income	10,574	-	**10,574**	11,954	-	11,954
Loss on disposal of fixed assets	(746)	-	**(746)**	(36)	-	(36)
Rental income	63,134	-	**63,134**	63,770	-	63,770
Miscellaneous income	4,800	-	**4,800**	3,163	-	3,163
Net assets released from restrictions	251,617	(251,617)	**-**	235,780	(235,780)	**-**
Total revenue, support and gains (losses)	3,708,006	(169,417)	**3,538,589**	3,453,926	(103,674)	3,350,252
Expenses						
Program services	2,906,122	-	**2,906,122**	2,876,511	-	2,876,511
Support services						
Management and general	397,222	-	**397,222**	437,717	-	437,717
Fundraising	211,686	-	**211,686**	273,117	-	273,117
Total expenses	3,515,030	-	**3,515,030**	3,587,345	-	3,587,345
Change in net assets	192,976	(169,417)	**23,559**	(133,419)	(103,674)	(237,093)
Net assets - beginning of the year	512,651	2,962,911	**3,475,562**	646,070	3,066,585	3,712,655
Net assets - end of the year	$ 705,627	$ 2,793,494	**$ 3,499,121**	$ 512,651	$ 2,962,911	$ 3,475,562

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc. d/b/a Safehouse Center
Statement of Functional Expenses
For the Years Ended September 30, 2025 and 2024

	Support Services				Support Services			
	Program Services	Management and General	Fundraising	**Total 2025**	Program Services	Management and General	Fundraising	Total 2024
Salaries and related costs								
Salaries and wages	$ 1,534,681	$ 249,386	$ 134,285	**$ 1,918,352**	$ 1,497,862	$ 283,585	$ 193,613	$ 1,975,060
Payroll taxes	121,145	19,686	10,600	**151,431**	119,988	22,665	12,226	154,879
Employee benefits	213,114	40,568	21,661	**275,343**	210,757	39,810	21,475	272,042
Total payroll expenses	1,868,940	309,640	166,546	**2,345,126**	1,828,607	346,060	227,314	2,401,981
Specific assistance to individuals	117,028	-	-	**117,028**	138,327	-	-	138,327
Advertising and marketing	-	-	384	**384**	565	-	25	590
Conferences and meetings	14,693	-	-	**14,693**	10,835	-	-	10,835
Cost of direct benefit to donors	-	-	14,991	**14,991**	-	-	10,133	10,133
Accounting fees	-	43,706	-	**43,706**	-	48,455	-	48,455
Amortization	5,896	122	61	**6,079**	4,914	101	51	5,066
Depreciation	30,001	619	309	**30,929**	31,552	651	325	32,528
Information technology	3,258	303	227	**3,788**	3,208	298	224	3,730
Insurance	45,860	1,650	1,051	**48,561**	41,335	1,614	1,052	44,001
Interest	-	17,078	-	**17,078**	-	9,551	-	9,551
Miscellaneous	-	28	-	**28**	-	231	-	231
Occupancy	675,500	8,098	4,049	**687,647**	642,499	8,076	4,038	654,613
Office expenses	118,231	9,443	21,290	**148,964**	151,432	15,296	27,485	194,213
Professional fees	19,950	4,465	2,778	**27,193**	17,735	3,286	2,470	23,491
Travel	6,765	2,070	-	**8,835**	5,502	4,098	-	9,600
Total expenses by function	$ 2,906,122	$ 397,222	$ 211,686	**$ 3,515,030**	$ 2,876,511	$ 437,717	$ 273,117	$ 3,587,345

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc. d/b/a Safehouse Center
Statement of Cash Flows
For the Years Ended September 30, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	**$ 23,559**	$ (237,093)
Items not requiring cash		
Depreciation	**30,929**	32,528
Amortization	**6,079**	5,066
Amortization of present value discount on donated use of building	**213,830**	201,407
Loss on sale of property and equipment	**746**	36
Realized and unrealized loss on investments	**3,519**	241
Change in value of beneficial interest in assets of the Ann Arbor Community Foundation	**(28,121)**	(55,030)
Changes in operating assets and liabilities		
Other receivable	**1,305**	(7,305)
Grant billing receivable and unbilled grant costs	**42,959**	88,968
Prepaid expenses	**(4,707)**	10,378
Operating lease assets and liabilities	**351**	-
Accounts payable	**15,414**	(742)
Accrued payroll and withholdings	**5,855**	11,608
Accrued compensated absences	**(5,327)**	12,524
Net cash provided by operating activities	**306,391**	62,586
Cash flows from investing activities		
Purchases of property and equipment	**(27,092)**	(16,182)
Purchases of investments	**(4,833)**	(5,820)
Net cash used by investing activities	**(31,925)**	(22,002)
Cash flows from financing activities		
Payments on finance lease obligations	**(5,681)**	(4,521)
Payments made to funders	**(13,499)**	(12,714)
Net cash used by financing activities	**(19,180)**	(17,235)
Net change in cash and cash equivalents	**255,286**	23,349
Cash and cash equivalents - beginning of year	**442,282**	418,933
Cash and cash equivalents - end of year	**$ 697,568**	$ 442,282
Supplemental schedule of non-cash investing and financing activities		
Equipment acquired through finance leases	**$ -**	$ 31,913

See Accompanying Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

Domestic Violence Project, Inc ("SafeHouse Center" or "the Organization") is a Michigan nonprofit organization based in Ann Arbor that empowers survivors of sexual and intimate partner violence by providing advocacy, support, and promoting social change throughout Washtenaw County. The organization offers a 24-Hour Helpline, emergency shelter for survivors and their children, legal advocacy including support with Personal Protection Orders and court accompaniment, individual crisis support and support groups, and community education and outreach. Services also include safety planning, resource navigation, housing advocacy, and referrals to community partners. Funding is provided through federal, state, and local grants, as well as contributions from the general public.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions 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 net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

SafeHouse Center considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents. As of September 30, 2025, $468,002 of the cash and cash equivalents balance was FDIC insured while $263,493 was uninsured.

Accounts Receivables

Trade accounts receivable are stated net of an allowance for credit losses. Management regularly reviews the collection history of its receivables balances with particular attention given to those amounts greater than 90 days old. Based on management’s review, no allowance was deemed necessary as of September 30, 2025 and 2024.

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional.

The Organization initially records unconditional promises to give at fair value using the income approach and subsequently amortizes them using the original discount rate. If the original promise to give is due in less than one year it is recorded at net realizable value.

Investments
Investments are stated at fair value based on quoted prices in active markets. Realized gains and losses on sales of investments represent the difference between the net sales price and the cost of securities sold. Unrealized gains and losses on investments represent the net change for the reported year in unrealized appreciation between the balance at the beginning and the end of the year. Any donated investments received during the year are reflected as contributions at their market values at date of receipt.

Prepaid Expenses
Prepaid expenses are amounts paid for insurance and miscellaneous items in advance.

Property and Equipment
SafeHouse Center follows the practice of capitalizing all expenditures in excess of $1,000 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Major improvements are capitalized while ordinary maintenance and repairs are expensed.

SafeHouse Center evaluates long-lived assets for impairment using a discounted cash flow method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Gifts of land, buildings, equipment and other long-lived assets are also reported as revenue without donor restrictions and net assets, unless subject to time restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Leases
The Organization leases certain equipment. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Finance leases are contracts that have characteristics that make them similar to the purchase of the underlying asset. Operating leases are contracts that allow for the use of the underlying asset but there is no ownership transfer at the end of the lease.

Right of use assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. Right of use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that option will be exercised. The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate

determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to the office equipment classes of assets.

Operating lease expense for lease payments is recognized on a straight-line basis over the lease term. Finance lease expense is allocated between the amortization of the right of use asset and interest expense.

Revenue and Revenue Recognition
Revenue is recognized when earned. Program service fees are deferred to the applicable period in which the performance obligations are met. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Advertising
SafeHouse Center expenses advertising costs the first time the advertising occurs. Advertising expense for the years ended September 30, 2025 and 2024 was $384 and $590, respectively.

Compensated Absences
Employees of the Organization are entitled to paid vacation, and personal days off, depending on length of service. Employees are allowed to accumulate these days, upon separation, any unused days are paid at the employees' current pay rate. Employees can also carry over earned vacation.

Donated Services and Goods
The Organization records the value of donated goods as contributions using estimated fair values at the date of receipt. The Organization's policy is to utilize, rather than monetize, donated services and goods. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Functional Expenses
The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method and Allocation
Salaries, benefits and payroll taxes	Time and effort
Occupancy	Square footage
Insurance	Square footage
Depreciation	Square footage

Income Tax Status
SafeHouse Center is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as an organization other than a private foundation, as described in Section 509(a).

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review
Management has evaluated subsequent events through March 2, 2026, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at September 30:

	2025	2024
Cash and cash equivalents	$ 697,568	$ 442,282
Investments	58,677	57,363
Grant billing receivable and unbilled grant costs	230,937	273,896
Other receivables	6,000	7,305
Total financial assets - end of year	993,182	780,846
Less: Financial assets unavailable for general expenditures within one year, due to:		
Restricted by donor with time or purpose restrictions	(176,230)	(158,797)
Beneficial interest in assets held by Ann Arbor Area Community Foundation	(47,901)	(47,862)
Financial assets available to meet cash needs for general expenditures within one year	$ 769,051	$ 574,187

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

The Organization's endowment funds consist of donor restricted endowments and funds designated by the board as endowments. Income from donor restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor restricted endowment funds are not available for general expenditure.

Note 3 – Conditional Promises to Give

During the fiscal year, the Organization received conditional promises to give related to state and federal grants. Payment of the grants is contingent upon spending the funds for the designated allowable purpose and various compliance requirements including 2 CFR 200.

The conditional contributions consisted of the following as of September 30, 2025:

Condition/ Grant Purpose	Total Contract/ Grant Amount	Spent to Date	Conditional Contribution
Victim Services 24-25	$ 1,205,478	$ 636,086	$ 569,392

The conditional contributions consisted of the following as of September 30, 2024:

Condition/ Grant Purpose	Total Contract/ Grant Amount	Spent to Date	Conditional Contribution
Victim Services 23-24	$ 2,330,809	$ 227,257	$ 2,103,552

Note 4 – Investments

Fair value of marketable debt and equity securities at September 30, 2025 and 2024 consist of:

	2025	2024
Available for sale		
Alternative investments	$ 47,901	$ 47,862
Mutual funds	10,776	9,501
Total investments	$ 58,677	$ 57,363

Investment income is composed of the following at September 30:

	2025	2024
Dividends and interest	$ 14,093	$ 12,195
Realized loss	(493)	-
Unrealized loss	(3,026)	(241)
Total investment income	$ 10,574	$ 11,954

Note 5 – Community Foundation

In 2003, the Organization transferred $123,440 to the Ann Arbor Area Community Foundation (AAACF) for the Shirley Trout/SafeHouse Center Fund for Women, and $4,708 to establish the SafeHouse Center Endowment Fund. AAACF holds and manages the funds transferred. In accordance with ASC 95-605-25, transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others, the fair market value of these funds, as reflected in the financial statements is $429,529 and $401,408 at September 30, 2025 and 2024, respectively. The Organization received contributions from the AAACF in the amount of $16,032 and $0 at September 30, 2025 and 2024, respectively.

In addition, certain funds donated by outside donors for the benefit of the Organization are held and managed by AAACF. Such contributions are subject to variance power maintained by AAACF. The fair market value of these funds is $268,689 and $38,065 at September 30, 2025 and 2024, respectively. Earnings are available for distribution to the Organization for operations at the discretion of AAACF; therefore, principal balances are not reflected in the financial statements.

Note 6 – Property and Equipment

Property and equipment as of September 30 consist of the following:

	2025	2024	Estimated Useful Life
Computer and office equipment	$ 112,734	$ 92,468	5 years
Vehicle	30,893	30,893	5-10 years
Leasehold improvements	242,726	242,726	5-10 years
Total cost	386,353	366,087	
Accumulated depreciation	(261,204)	(236,355)	
Net property and equipment	$ 125,149	$ 129,732	

Depreciation expense was $30,929 and $32,528 for the years ended September 30, 2025 and 2024, respectively.

Note 7 – Donated Use of Building

SafeHouse Center leases its office space for $1 per year from the County of Washtenaw under an agreement expiring in 2045 at September 30, 2022. SafeHouse Center amended the office space lease in June 2023 which reduced the agreement to expire in July 2033. The related promise to give (at net present value) and in-kind rent income and expense have been reflected in the financial statements based on the fair rental value of the property. The contribution is scheduled to be recognized as follows:

	2025	2024
Donated use of building	$ 2,764,647	$ 3,117,581
Unamortized discount	(563,133)	(702,237)
Donated use of building, net	$ 2,201,514	$ 2,415,344

Amounts recognized in occupancy expense in:

2026	$ 352,934
2027	352,934
2028	352,934
2029	352,934
2030	352,934
Thereafter	999,977
Total	$ 2,764,647

The donated used of the building is recorded using the original discount rate of 6%.

Note 8 – Leases

The Organization leases certain equipment at various terms under long-term non-cancelable operating lease and finance lease agreements. The leases expire at various dates through 2029 and provide for renewal options ranging from one year to five years. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised.

Total lease costs for the years ended September 30, 2025 and 2024, are as follows:

	2025	2024
Operating lease cost	$ 1,778	$ 4,579
Finance lease cost:		
Interest expense	1,219	1,229
Amortization of right-of-use assets	6,079	5,066
Total lease costs	$ 9,076	$ 10,874

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

	2025	2024
Weighted-average remaining lease term in years:		
Operating leases	2.30	3.20
Finance leases	3.30	4.30
Weighted-average discount rate:		
Operating leases	3.68%	3.70%
Finance leases	5.03%	5.03%

The following table summarizes the supplemental cash flow information for the years ended September 30, 2025 and 2024:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 1,427	$ 4,579
Operating cash flows from finance leases	1,219	1,229
Financing cash flows from finance leases	5,681	4,521
	$ 8,327	$ 10,329

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of September 30, 2025:

	Operating	Finance
2026	$ 1,345	$ 6,900
2027	853	6,900
2028	568	6,900
2029	-	2,875
Total lease payments	2,766	23,575
Less interest	(110)	(1,864)
Present value of lease liabilities	$ 2,656	$ 21,711

Note 9 – Minimum Future Rentals

SafeHouse Center subleases a portion of its leased property under certain operating leases having initial or remaining noncancelable lease terms in excess of one year. The future rentals schedule only includes the current term in effect for leases that may have automatic renewals.

Minimum future rentals to be received on noncancelable leases as of September 30, 2025 are listed as follows:

2026	$ 63,664
2027	65,966
2028	68,354
2029	70,828
2030	73,394
Thereafter	2,345,298
Total	$ 2,687,504

Total rental revenue on these rentals for 2025 and 2024 was approximately $63,134 and $63,770 respectively.

Note 10 – Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and periods at September 30:

	2025	2024
Subject to expenditure for specified purpose:		
Health clinic	$ 830	$ 830
Fresh Start	70,956	71,675
Programs for children	15,729	13,148
Programs for older women	22,249	8,232
Other programs	66,466	64,912
	176,230	158,797
Subject to the passage of time:		
Long-term building lease	2,201,514	2,415,344
Endowments:		
Subject to spending policy and appropriation		
Programs for older women	287,602	260,622
Perpetual in nature		
Programs for older women	128,148	128,148
	415,750	388,770
Total net assets with donor restrictions	$ 2,793,494	$ 2,962,911

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended September 30:

	2025	2024
Satisfaction of purpose restrictions:		
Fresh Start	$ 22,095	$ 5,606
Programs for children	618	295
Programs for older women	976	8,135
Other programs	14,098	20,337
	37,787	34,373
Expiration of time restrictions:		
Long-term building lease	213,830	201,407
Total net assets released from donor restrictions	$ 251,617	$ 235,780

Note 11 – Amounts Owed to Funders

SafeHouse Center and the Michigan Department of Human Services (DHS) signed a settlement agreement and release on November 28, 2007 regarding unallowable questioned costs in audits for the years 2000 – 2003.

Safehouse Center agreed to pay DHS $483,856 no later than calendar year 2033. Management has established a projected payment schedule of $250 per month starting in October 2008 and then $1,753 per month starting in February 2010 and ending in December 2032. The present value of the projected future payment stream (with interest assumed at 6 percent) is recorded as a liability.

The expected management established future principal payments are as follows:

2026	$ 14,331
2027	15,215
2028	16,153
2029	17,150
2030	18,208
Thereafter	37,188
Total	$ 118,245

Note 12 – Contributed Nonfinancial Assets

Contributed nonfinancial assets for the year ended September 30, 2025 were:

Category	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Building	$ 139,104	Shelter	Restricted for shelter usage	Building recorded at fair value at time of donation; amortized through July 2033
Building maintenance services	239,214	Shelter	No associated donor restrictions	In valuing the contributed maintenance services, the Organization records the value of the services provided by the third party, Washtenaw County.
Household goods and clothing	61,695	Shelter	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
Volunteer services	-	Shelter	No associated donor restrictions	Criteria for recording revenue are not met; approximately 11,200 hours were donated
	$ 440,013			

Contributed nonfinancial assets for the year ended September 30, 2024 were:

Category	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Building	$ 151,526	Shelter	Restricted for shelter usage	Building recorded at fair value at time of donation; amortized through June 2033
Building maintenance services	225,066	Shelter	No associated donor restrictions	In valuing the contributed maintenance services, the Organization records the value of the services provided by the third party, Washtenaw County.
Household goods and clothing	109,313	Shelter	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
	$ 485,905			

The Organization also received volunteer services that are not recordable under generally accepted accounting principles. The services are utilized for grant match.

Note 13 – Fair Value Measurements

The following tables represent information about the Organization's assets and liabilities measured at fair value on a recurring basis at September 30, 2025 and 2024, and the valuation techniques used by the Organization to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in the entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Disclosures concerning assets measured at fair value on a recurring basis for the year ended September 30 are as follows:

	Balance at September, 30 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Beneficial interest in community foundation endowment	$ 429,529	$ -	$ -	$ 429,529
Alternative investments	47,901	-		47,901
Mutual funds	10,776	10,776	-	-
Total assets at fair value	$ 488,206	$ 10,776	$ -	$ 477,430

	Balance at September, 30 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Beneficial interest in community foundation endowment	$ 401,408	$ -	$ -	$ 401,408
Alternative investments	47,862	-	-	47,862
Mutual funds	9,501	9,501	-	-
Total assets at fair value	$ 458,771	$ 9,501	$ -	$ 449,270

The beneficial interest in community foundation endowment changes in level 3 assets and liabilities measured at fair value on a recurring basis are described in Note 14.

The Organization measures the beneficial interest funds held at the AAACF at fair value on a recurring basis. The fair value of the beneficial interest was determined primarily based on Level 3 inputs. The Organization estimates the fair value of the investments based upon the Organization's relative share of assets held and reported by the AAACF, unless the facts and circumstances indicate the fair value would be different from the present value of the estimated future

distributions. The Organization estimates the fair value of the promises to give based on the net present value of pledges.

Note 14 – Donor and Board Restricted Endowments

SafeHouse Center's endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified based on those donor-imposed restrictions.

Interpretation of Relevant Law
The board of directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds, unless there are explicit donor stipulations to the contrary. At September 30, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by use in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) The duration and preservation of the fund; (2) The purposes of the Organization and the donor restricted endowment fund; (3) General economic conditions; (4) The possible effect of inflation and deflation; (5) The expected total return from income and the appreciation of investments; (6) Other resources of the Organization; and (7) The investment policies of the Organization.

The endowment net asset composition by type of fund as of September 30, 2025 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Board-designated	$ 13,779	$ -	$ 13,779
Donor-restricted	-	415,750	415,750
Total endowment funds	$ 13,779	$ 415,750	$ 429,529

Changes in endowment net assets for the year ended September 30, 2025 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Beginning of year	$ 12,638	$ 388,770	$ 401,408
Change in beneficial interest	1,141	26,980	28,121
End of year	$ 13,779	$ 415,750	$ 429,529

The endowment net asset composition by type of fund as of September 30, 2024 is as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Board-designated	$ 12,638	$ -	$ 12,638
Donor-restricted	-	388,770	388,770
Total endowment funds	$ 12,638	$ 388,770	$ 401,408

The changes in endowment net assets for the year ended September 30, 2024 are as follows:

	Without Donor Restriction	With Donor Restrictions	Total
Beginning of year	$ 11,756	$ 334,622	$ 346,378
Change in beneficial interest	882	54,148	55,030
End of year	$ 12,638	$ 388,770	$ 401,408

Return Objectives and Risk Parameters
The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The funds are held in beneficial interest at the Ann Arbor Area Community Foundation (AAACF) and are invested following AAACF's investment policy.

Spending Policy and How the Investment Objectives Relate to Spending Policy
The endowment funds are subject to the investment and distribution policies of AAACF. The Organization determines annually whether it will accept the distribution designated by AAACF or ask that it be reinvested for growth.

Note 15 – Revenue from Contracts with Customers

The following summarizes revenue by type for the years ended September 30:

	2025	2024
Revenue from contracts with customers	$ 9,264	$ 7,507
Contributions	1,061,848	916,297
Contributed nonfinancial assets	440,013	485,905
Government grants	1,865,339	1,749,083
Special events	56,242	58,652
Change in beneficial trust	28,121	55,030
Investment income	10,574	11,954
Rental revenue	63,134	63,770
Miscellaneous income	4,800	2,090
Loss on disposal of fixed assets	(746)	(36)
Total revenue	$ 3,538,589	$ 3,350,252

The revenues from contracts with customers for the years ended September 30, 2025 and 2024 consists of:

	2025	2024
Revenue earned at a point in time	$ 9,264	$ 7,507

Revenue earned at a point in time consists of ticket sales for various fundraising events. Fundraising events are typically one day events and therefore the performance obligation is typically satisfied when the attendee attends the event; if the attendee does not attend the entire event, revenue is still earned if some portion of the event was attended. This is because if the attendee attends a portion of the event, they will not be refunded their money. There is variable consideration for the events depending on when they pay, however, the variable consideration is not constrained. The transaction price is

calculated using the expected value method based on historical experience for each price. Because the majority of attendees are paying timely, there is no constraint.

There were no changes in judgments related to revenue recognition for the years ended September 30, 2025 and 2024.

Note 16 – Contingencies

The Organization participates in several federally assisted grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Management feels that any liability for reimbursement which could arise as the result of a grantor audit would not be material.

Note 17 – Retirement Plan

The Organization has a qualified defined contribution plan. Under the plan, the Organization contributes 2% of each participant's wages regardless of whether the employee contributes. The contributions to the plan amount to $36,672 and $37,781 for the years ended September 30, 2025 and 2024, respectively.