REFUGE FOR WOMEN, INC.
LEXINGTON, KENTUCKY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

YEAR ENDED DECEMBER 31, 2023

HICKS & ASSOCIATES CPAS
CERTIFIED PUBLIC ACCOUNTANTS

C O N T E N T S

Hicks & Associates CPAs

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Refuge for Women, Inc.
Lexington, Kentucky

Opinion

We have audited the accompanying consolidated financial statements of Refuge for Women, Inc. (Refuge), a nonprofit organization, which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Refuge as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Refuge 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Refuge's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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 the Refuge'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Refuge'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.

INDEPENDENT AUDITORS' REPORT
-CONTINUED-

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information on pages 20 and 21 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Hicks & Associates CPAs

Lexington, Kentucky

June 24, 2024

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 1,743,221
Accounts receivable	158,530
Prepaid expenses	32,643
TOTAL CURRENT ASSETS	1,934,394
OTHER ASSETS	
Cash and cash equivalents - donor restricted	216,049
Investment in subsidiary	100
Note receivable	300,000
TOTAL OTHER ASSETS	516,149
PROPERTY AND EQUIPMENT	
Construction in process	250,000
Buildings and improvements	2,865,695
Equipment	29,430
Furniture and fixtures	8,559
Land	526,862
Leasehold improvements	204,905
Vehicles	241,054
TOTAL PROPERTY AND EQUIPMENT	4,126,505
Accumulated depreciation	(613,063)
PROPERTY AND EQUIPMENT, NET	3,513,442
TOTAL ASSETS	$ 5,963,985
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	$ 50,454
Accrued payroll and taxes	74,585
Mortgages payable - current portion	664,817
TOTAL CURRENT LIABILITIES	789,856
LONG-TERM LIABILITIES	
Mortgages payable, less current portion	698,764
TOTAL LONG-TERM LIABILITIES	698,764
TOTAL LIABILITIES	1,488,620
NET ASSETS	
Without donor restrictions	4,259,316
With donor restrictions	216,049
TOTAL NET ASSETS	4,475,365
TOTAL LIABILITIES AND NET ASSETS	$ 5,963,985

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND OTHER SUPPORT			
Donations	$ 2,308,358	$ 41,946	$ 2,350,304
Fundraising	920,636	12,542	933,178
Gain(loss) on sale or disposal	(5,310)	-	(5,310)
Grants and foundations	1,006,163	17,500	1,023,663
Interest income	92,391	-	92,391
Other	76,277	-	76,277
	4,398,515	71,988	4,470,503
Net assets released from restrictions	38,589	(38,589)	-
TOTAL REVENUE AND OTHER SUPPORT	4,437,104	33,399	4,470,503
EXPENSES			
Program	3,457,953	-	3,457,953
General and administrative	906,509	-	906,509
Fundraising	794,937	-	794,937
TOTAL EXPENSES	5,159,399	-	5,159,399
TOTAL CHANGE IN NET ASSETS	(722,295)	33,399	(688,896)
TOTAL NET ASSETS, BEGINNING OF YEAR	4,981,611	182,650	5,164,261
TOTAL NET ASSETS, END OF YEAR	$ 4,259,316	$ 216,049	$ 4,475,365

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	PROGRAM	GENERAL AND ADMINISTRATIVE	FUNDRAISING	TOTAL
Client support	$ 279,240	$ -	$ -	$ 279,240
Depreciation	156,049	-	-	156,049
Fundraising	-	-	251,279	251,279
Occupancy and maintenance	296,251	34,233	381	330,865
Office	63,107	57,740	11,017	131,864
Other	106,144	12,611	31,341	150,096
Personnel	2,331,542	648,941	498,865	3,479,348
Professional fees	71,972	107,479	-	179,451
Property ownership	132,671	691	-	133,362
Staff training	16,163	19,677	1,368	37,208
Travel	4,814	25,137	686	30,637
TOTAL EXPENSES	$ 3,457,953	$ 906,509	$ 794,937	$ 5,159,399

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in total net assets	$ (688,896)
Adjustments to reconcile change in total net assets to net change from operating activities:	
Depreciation	156,049
Donated rent income	(18,000)
Donated rent expense	18,000
Loss on disposal of property and equipment	5,310
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	688,830
(Increase) decrease in inventory	330
(Increase) decrease in prepaid expenses	(13,982)
Increase (decrease) in accounts payable	(1,014,393)
Increase (decrease) in accrued payroll and taxes	5,512
NET CHANGE FROM OPERATING ACTIVITIES	(861,240)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(313,562)
NET CHANGE FROM INVESTING ACTIVITIES	(313,562)
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on line of credit	(188,218)
Payments on mortgages payable	(50,196)
Proceeds from line of credit	50,000
NET CHANGE FROM FINANCING ACTIVITIES	(188,414)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,363,216)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,322,486
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,959,270
Cash paid during the year for interest:	$ 44,328
Purchase of property and equipment in accounts payable:	$ 2,042

See Notes to Consolidated Financial Statements.

NOTE A - NATURE OF ACTIVITIES

Refuge for Women, Inc. (Refuge) is a nonprofit, faith-based organization that provides long-term care for women who have escaped human trafficking or sexual exploitation at no charge to the residents. With locations in several cities across the United States, the Refuge offers up to twelve months of safe housing with twenty-four-hour-a-day staffing as they progress through evidence-based, trauma-informed programming. The compassionate staff is trained to help residents work through the program to reclaim their own identities and reach their goals to overcome addictions, heal from trauma and develop life skills leading to healthy, balanced living and financial independence. The Refuge strives to help each woman complete the program with a vision for her future, equipped to succeed and sustain a life marked with dignity and hope.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The consolidated financial statements of the Refuge have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

The Refuge is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets of the Refuge are classified and reported as follows:

1) Net assets without donor restrictions include the portion of expendable funds available for support in the operation of the Refuge or designated by the Board of Directors (Board) for specific use.

2) Net assets with donor restrictions represent contributions that are received with donor stipulations that limit the use of donated assets.

Income Tax Status

The Refuge is a nonprofit corporation exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code. As of December 31, 2023, the Refuge has no uncertain tax positions that qualify for disclosure in the consolidated financial statements. Tax years still open under federal and state statute of limitations remain subject to review and change.

Use of Estimates

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

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value of Financial Instruments

The Refuge's financial instruments consist of cash and cash equivalents, receivables, prepaid expenses, accrued payroll and taxes, and payables. All instruments are stated at cost, which approximates fair value.

Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash held in checking and savings accounts, all of which have an original maturity of three months or less. The following table provides a reconciliation of cash and cash equivalents reported within the consolidated statement of financial position that sum to the total in the consolidated statement of cash flows as of December 31, 2023:

Cash and cash equivalents - operating	$1,743,221
Cash and cash equivalents - donor restricted	216,049
Total cash and cash equivalents	$1,959,270

Accounts Receivable

The Refuge uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of accounts receivable at year-end is consistent with historical conditions as practices and the client base has not changed significantly. Based on this information, management believes that all accounts receivable will be collected, and therefore, these consolidated financial statements do not include an allowance for expected credit losses. If accounts become uncollectible, they will be charged to bad debt expense. Accounts receivable as of the beginning and end of the year was $847,360 and $158,530, respectively.

Property and Equipment

The Refuge capitalizes expenditures over $5,000 and with a useful life exceeding one year. Property and equipment are recorded at cost. Donated property and equipment are stated at the estimated fair market value at the date of donation to the Refuge. The Refuge provides for depreciation on the straight-line method over the following estimated useful lives:

Asset Class	Years
Buildings and improvements	15-27.5
Equipment	5
Furniture and fixtures	7
Leasehold improvements	10
Vehicles	5

Depreciation expense was $156,049 for the year ended December 31, 2023.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Compensated Absences

Employees of the Refuge are entitled to paid compensated absences, depending on job classification, length of service and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the consolidated financial statements. The Refuge's policy is to recognize the costs of compensated absences when actually paid.

Revenue Recognition

Donations are defined as voluntary, non-reciprocal transfers. Unrestricted donations are recognized as support when received or pledged, if applicable. Donations are reported as restricted support if they are received with donor stipulations that limit the use of such assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Refuge's policy is to present net assets with donor restrictions received during the year whose restrictions are also met during the year as net assets without donor restrictions.

Grant revenue is conditioned upon certain performance requirements and is deemed to be earned and recorded upon the Refuge's incurrence of allowable qualifying expenses.

Another portion of the Refuge's revenue is derived from fundraising and other revenue. Included in other revenue are a small amount of funds received from Medicaid. Revenues from these sources are based upon contractually agreed-upon rates and are recognized in the period in which services are rendered or when fundraising events take place.

Leases

Lease payments for leases with a term of 12 months or less are expensed on a straight-line basis over the term of the lease with no lease asset or liability recognized.

Functional Expenses

The costs of program and supporting services activities have been summarized in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification of detail of expenses by function. Accordingly, certain costs have been allocated, on a reasonable basis by management, among the programs and supported services benefited.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Donated Services

Donated services that create or enhance non-financial assets or that require specific expertise and would normally have been purchased are recorded at fair value in the period received. Those donated services that do not meet the specific expertise criteria are not reflected in the consolidated financial statements. There is no objective basis available to measure the value of volunteer services donated to the Refuge; however, a substantial number of volunteers have donated significant amounts of their time to the Refuge.

NOTE C - INVESTMENT IN SUBSIDIARY

The Refuge is the 100% owner of RFW Housing MM LLC, a C-corporation. The Refuge invested $100 in the subsidiary during 2022. The subsidiary's financial statements have not been included in the Refuge's consolidated financial statements for the year ended December 31, 2023.

NOTE D - NOTE RECEIVABLE

During 2022, the Refuge agreed to serve as a lender for a multi-family housing construction project. The Refuge provided RFW Housing LLC a $300,000 note that bears an interest rate of 3.0%. RFW Housing LLC will be required to pay back the $300,000 over a forty (40) year period once construction of the multi-family housing project is complete. Payments of principal and interest of $1,074 will be due monthly with final payment due in approximately 2062, the maturity date. RFW Housing MM LLC, a subsidiary of the Refuge as listed in Note C, serves as the general partner with a 0.1% ownership stake of RFW Housing LLC. Note receivable as of the beginning and end of the year was $300,000 and $300,000, respectively.

NOTE E - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures within one year of the December 31, 2023 consolidated statement of financial position date comprise the following:

Financial assets at year-end:	$2,117,800
Less those unavailable for general expenditure within one year:	
Cash and cash equivalents - donor restricted	(216,049)
Financial assets available to meet cash needs within one year:	$1,901,751

As part of the Refuge's liquidity management, financial assets are structured to be available as its general expenditures, liabilities, and other obligations come due.

As listed in Note F, the Refuge also has access to a bank line of credit with JPMorgan Chase Bank of $200,000 as of December 31, 2023.

NOTE F - LINE OF CREDIT

The Refuge opened a revolving line of credit (LOC) with JPMorgan Chase Bank on March 25, 2022 with a limit of $200,000. The LOC bears an interest rate of 9.192% as of June 24, 2024. All outstanding principal, plus all accrued and unpaid interest, are due on March 25, 2032, the maturity date. The LOC is collateralized by a Refuge property located in California. The balance of the LOC as of December 31, 2023 was $0. Interest paid on the LOC was $1,448 for the year ended December 31, 2023.

NOTE G - MORTGAGES PAYABLE

On December 20, 2021, the Refuge entered into a non-interest bearing mortgage note with the Felician Sisters of North America Real Estate Trust for a Pennsylvania property for $715,500. The mortgage note is secured by the Pennsylvania property. Commencing on January 1, 2022, principal payments of $3,000 are due monthly thereafter through November 2024, with any remaining outstanding principal due and payable on December 1, 2024. A 5.00% delinquency penalty will be charged to the amount due if not received by the 15th day of the month due. The mortgage payable balance as of December 31, 2023 was $643,500. GAAP requires non-interest bearing mortgage payables include a discount or premium as a deduction from, or addition to, the face amount of the mortgage. The discount or premium is amortized and reported as interest expense representing the effective interest rate of the mortgage. However, management has determined the amounts to be immaterial and, accordingly, these consolidated financial statements do not include a discount or premium on the face of the mortgage or the related amortization reported in interest expense.

On October 17, 2022, the Refuge purchased a Nevada property for $1,050,000. To finance the purchase of the property, the Refuge entered into a mortgage loan with JPMorgan Chase Bank for $743,750. The mortgage is secured by the Nevada property and carries an interest rate of 5.87%. Commencing on November 17, 2022, principal and interest payments of $5,310 are due monthly. All unpaid principal and accrued and unpaid interest are due and payable on October 17, 2032. The mortgage payable balance as of December 31, 2023 was $720,081. Interest expense on the mortgage totaled $42,880 for the year ended December 31, 2023.

Future maturity of all debt is as follows:

Year	
2024	$ 664,817
2025	22,743
2026	24,134
2027	25,610
2028	27,071
Thereafter	599,206
Total	$1,363,581

NOTE H - CONCENTRATION OF CREDIT RISK

The Refuge has a concentration of credit risk in that it periodically maintains cash deposits in a single financial institution in excess of amounts insured by the FDIC. The Refuge has not experienced any losses on such accounts and does not believe that it is subject to significant credit risk related to the accounts.

NOTE I - DESCRIPTION OF LEASING ARRANGEMENTS

The Refuge's National office space, located in Kentucky, is donated. Refuge personnel estimate the fair market rental value to be $1,500 per month. The estimated donated rent for the National office is $18,000 for the year ended December 31, 2023.

The Refuge entered into an indefinite month-to-month lease to rent three townhomes in Kentucky in 2021. Refuge ended the lease during 2023. The agreement required payments of $737 for each property per month. Rent paid for the residences was $11,792 for the year ended December 31, 2023.

The Refuge rents a Nevada residential space that requires payments of $3,000 per month and continues on a month-to-month basis. Rent expense paid for the residence was $36,000 for the year ended December 31, 2023.

The Refuge rents a Nevada residential space that requires payments of $2,600 per month. The agreement ended in July 2023 but continues on a month-to-month basis thereafter. Rent expense paid for the residence was $31,200 for the year ended December 31, 2023.

The Refuge rented an Illinois residential space that required payments of $1,750 per month through March 2023. The Refuge renewed the lease for $1,850 per month through March 2024. Rent expense paid for the residential space was $21,900 for the year ended December 31, 2023.

The Refuge rents a Pennsylvania office space that requires payments of $300 per month. The agreement continued on a month-to-month basis through December 2023. Rent expense paid for the office space was $3,600 for the year ended December 31, 2023.

The Refuge rented an Illinois office space that required quarterly payments of $719 to $848. The agreement continues on a month-to-month basis. Rent expense paid for the office space was $3,263.

The Refuge's Emergency Housing Pittsburgh location rents a residential space from the Refuge's National location for $3,000 per month. Rent expense paid for the residential space was $36,000 for the year ended December 31, 2023. The associated revenue and expense has been eliminated in the consolidated statement of activities.

NOTE I - DESCRIPTION OF LEASING ARRANGEMENTS - CONTINUED

The Refuge's Emergency Housing Las Vegas location rents a residential space from the Refuge's National location for $6,200 per month. Rent expense paid for the residential space was $74,400 for the year ended December 31, 2023. The associated revenue and expense has been eliminated in the consolidated statement of activities.

Future lease obligations that the Refuge is contractually committed to are as follows:

Year	
2024	$5,550

NOTE J - RETIREMENT PLAN

The Refuge offers a 401k retirement plan to regular employees working 1,000 or more hours annually, which is administered by a third party. Under the plan, eligible employees may make contributions up to limits allowable by law. The Refuge will add a discretionary match of 50%, up to 6% of an employee's deferred salary, into the plan. The discretionary match will happen according to a vesting schedule with full vesting upon reaching five years of service with the Refuge. Retirement expense totaled $37,994 for the year ended December 31, 2023.

NOTE K - NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2023, the Refuge has donor restricted funds that are restricted for the following purposes:

Restricted Funds		Purpose
$ 96,650	-	Supporting the Survivor Made program
87,149	-	Awarding future scholarships
32,250	-	Furnishing housing units described in Note M
$216,049		

NOTE L - CORPORATE STRUCTURE - CONSOLIDATED FINANCIAL STATEMENTS

Each satellite location is a separate nonprofit corporation wholly owned by the Refuge. Each satellite location has their own local Board of Directors and can make their own decisions within certain parameters but do not set policy. Chairmen and City Directors for satellite locations are chosen by the National Board but other members are determined locally. The National Board has the right to remove members of the satellite Boards if it deems it is in the best interest of the Refuge. As a result, these financial statements are presented on a consolidated basis with all intercompany transactions identified in the eliminations column of the consolidating schedules of financial position and activities by location, which can be found on page 20 and 21 of the supplemental information.

NOTE M - COMMITMENTS

RFW Housing MM LLC, a subsidiary of the Refuge (See Note C), serves as general partner and has a 0.1% ownership stake in RFW Housing LLC (See Note D).

During 2022, RFW Housing LLC entered into a construction loan agreement with Hope of the Midwest that allows borrowing of up to $4,200,000 with an interest rate cap of 6.50% that is fixed through August 2024. Interest only payments are due monthly, commencing in October 2022, with final principal payment and any accrued interest due in September 2024, the maturity date. During 2022, RFW Housing LLC also entered into a loan agreement with Kentucky Housing Corporation that allows borrowing of up to $750,000. The loan is non-interest bearing with payment not due until September 2054, the maturity date.

The loans are guaranteed by the Refuge, RFW Housing MM LLC, and RFW Housing LLC. The loan proceeds are to be used for the construction of twenty-four (24) affordable housing units on land located in Kentucky that is owned by the Refuge. Once construction is complete, the Refuge is obligated to rent the housing units. As of December 31, 2023, $3,042,644 of construction loan proceeds had been received from Hope of the Midwest by RFW Housing LLC. As of December 31, 2023, $560,250 of loan proceeds had been received from Kentucky Housing Corporation by RFW Housing LLC.

In January 2024, the Refuge began renting the affordable housing units. Due to market adjustments, monthly rents charged to the Refuge are $375 and $490 per unit per month. RFW Housing LLC bills the Refuge monthly for all twenty-four (24) units, whether occupied or not, plus the costs of maintaining the units. As of June 24, 2024, the Refuge has paid approximately $35,000 to RFW Housing LLC for the rented and vacant units.

NOTE N - ADOPTION OF ACCOUNTING STANDARD

Effective January 1, 2023, the Refuge adopted ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Refuge adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Refuge's consolidated financial statements but did change how the allowance for credit losses is determined.

NOTE O - PRIOR PERIOD RESTATEMENT

For the year ended December 31, 2022, management determined that accounts receivable was understated by $716,685 due to Employee Retention Credit (ERC) funds received during 2023 that were intended for the years ended December 31, 2020 and 2021. The effects of the prior period restatement have been included in net assets at the beginning of the year for purposes of the December 31, 2023 consolidated financial statement presentation.

NOTE O - PRIOR PERIOD RESTATEMENT - CONTINUED

The restatement had the following effects on the previously issued December 31, 2022 consolidated financial statements:

	Originally Reported	Restated Amount
Total accounts receivable	$ 130,675	$ 847,360
Total assets	$7,131,450	$7,848,135
Total net assets	$4,447,576	$5,164,261

NOTE P - DATE OF MANAGEMENT'S REVIEW

The Refuge's subsequent events have been evaluated by management through June 24, 2024, which is the date the consolidated financial statements were available to be issued.

NOTE Q - SUBSEQUENT EVENT

On May 13, 2024, the Refuge purchased a Kentucky property for $345,000. To finance the purchase of the property, the Refuge entered into a mortgage loan with Cumberland Valley National Bank and Trust for $241,500. Carrying an interest rate of 7.50%, the mortgage is secured by the Kentucky property and any attached lease assignments. Commencing on June 13, 2024, principal and interest payments of $1,946 are due monthly. All unpaid principal and accrued and unpaid interest are due and payable on May 13, 2044.

REFUGE FOR WOMEN, INC.
LEXINGTON, KENTUCKY

SUPPLEMENTAL INFORMATION

YEAR ENDED DECEMBER 31, 2023

REFUGE FOR WOMEN, INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION BY LOCATION
DECEMBER 31, 2023

ASSETS	CENTRAL KENTUCKY	LAS VEGAS	CHICAGO	N. TEXAS	TEXAS GULF COAST	SOUTHERN CALIFORNIA	NATIONAL	EMERGENCY HOUSING KENTUCKY	EMERGENCY HOUSING LAS VEGAS	EMERGENCY HOUSING PITTSBURGH	ELIMINATIONS		TOTAL ALL LOCATIONS
CURRENT ASSETS													
Cash and cash equivalents	$ 149,120	$ 406,337	$ 114,198	$ 133,012	$ 103,227	$ 2,506	$ 499,682	$ 287,423	$ 13,648	$ 34,068	$ -		$ 1,743,221
Accounts receivable	-	74,578	-	-	-	-	-	-	83,952	-	-		158,530
Advances to related parties	-	40,000	-	4,800	-	-	172,014	-	-	-	(216,814)	(1)	-
Prepaid expenses	1,099	2,026	2,276	16,684	1,606	-	8,952	-	-	-	-		32,643
TOTAL CURRENT ASSETS	150,219	522,941	116,474	154,496	104,833	2,506	680,648	287,423	97,600	34,068	(216,814)		1,934,394
OTHER ASSETS													
Cash and cash equivalents - donor restricted	32,250	-	-	96,650	-	-	87,149	-	-	-	-		216,049
Investment in subsidiary	-	-	-	-	-	-	100	-	-	-	-		100
Note receivable	-	-	-	-	-	-	300,000	-	-	-	-		300,000
TOTAL OTHER ASSETS	32,250	-	-	96,650	-	-	387,249	-	-	-	-		516,149
PROPERTY AND EQUIPMENT													
Construction in process	-	-	-	250,000	-	-	-	-	-	-	-		250,000
Buildings and improvements	-	-	-	-	-	-	2,865,695	-	-	-	-		2,865,695
Equipment	-	5,460	-	-	10,500	-	13,470	-	-	-	-		29,430
Furniture and fixtures	8,559	-	-	-	-	-	-	-	-	-	-		8,559
Land	-	-	-	-	-	-	526,862	-	-	-	-		526,862
Leasehold improvements	37,861	8,249	-	34,182	49,603	-	22,761	-	-	52,249	-		204,905
Vehicles	25,605	56,466	27,006	64,952	56,500	-	-	-	-	10,525	-		241,054
TOTAL PROPERTY AND EQUIPMENT	72,025	70,175	27,006	349,134	116,603	-	3,428,788	-	-	62,774	-		4,126,505
Accumulated depreciation	(58,148)	(49,340)	(24,705)	(66,410)	(37,718)	-	(366,934)	-	-	(9,808)	-		(613,063)
PROPERTY AND EQUIPMENT, NET	13,877	20,835	2,301	282,724	78,885	-	3,061,854	-	-	52,966	-		3,513,442
TOTAL ASSETS	$ 196,346	$ 543,776	$ 118,775	$ 533,870	$ 183,718	$ 2,506	$ 4,129,751	$ 287,423	$ 97,600	$ 87,034	$ (216,814)		$ 5,963,985
LIABILITIES AND NET ASSETS													
CURRENT LIABILITIES													
Accounts payable	$ 5,088	$ 4,823	$ 513	$ 2,482	$ 3,527	$ -	$ 6,546	$ -	$ 806	$ 26,669	$ -		$ 50,454
Accrued payroll and taxes	6,096	11,354	9,154	11,484	10,255	-	6,682	-	8,355	11,205	-		74,585
Advances from related parties	6,803	18,472	6,375	4,974	8,154	-	4,800	6,049	44,715	116,472	(216,814)	(1)	-
Mortgages payable - current portion	-	-	-	-	-	-	664,817	-	-	-	-		664,817
TOTAL CURRENT LIABILITIES	17,987	34,649	16,042	18,940	21,936	-	682,845	6,049	53,876	154,346	(216,814)		789,856
LONG-TERM LIABILITIES													
Mortgages payable, less current portion	-	-	-	-	-	-	698,764	-	-	-	-		698,764
TOTAL LONG-TERM LIABILITIES	-	-	-	-	-	-	698,764	-	-	-	-		698,764
TOTAL LIABILITIES	17,987	34,649	16,042	18,940	21,936	-	1,381,609	6,049	53,876	154,346	(216,814)		1,488,620
NET ASSETS													
Without donor restrictions	146,109	509,127	102,733	418,280	161,782	2,506	2,660,993	281,374	43,724	(67,312)	-		4,259,316
With donor restrictions	32,250	-	-	96,650	-	-	87,149	-	-	-	-		216,049
TOTAL NET ASSETS	178,359	509,127	102,733	514,930	161,782	2,506	2,748,142	281,374	43,724	(67,312)	-		4,475,365
TOTAL LIABILITIES AND NET ASSETS	$ 196,346	$ 543,776	$ 118,775	$ 533,870	$ 183,718	$ 2,506	$ 4,129,751	$ 287,423	$ 97,600	$ 87,034	$ (216,814)		$ 5,963,985

(1) To eliminate intercompany advances in the amount of $216,814.

REFUGE FOR WOMEN, INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES BY LOCATION
YEAR ENDED DECEMBER 31, 2023

	CENTRAL KENTUCKY	LAS VEGAS	CHICAGO	N. TEXAS	TEXAS GULF COAST	SOUTHERN CALIFORNIA	NATIONAL	EMERGENCY HOUSING KENTUCKY	EMERGENCY HOUSING LAS VEGAS	EMERGENCY HOUSING PITTSBURGH	ELIMINATIONS		TOTAL ALL LOCATIONS
REVENUE AND OTHER SUPPORT													
Donations	$ 198,818	$ 412,748	$ 279,324	$ 681,284	$ 227,667	$ 1,738	$ 98,186	$ 104,562	$ 35,000	$ 269,031	$ -		$ 2,308,358
Fundraising	114,349	26,418	176,849	246,129	194,031	-	4,284	5,590	-	152,986	-		920,636
Gain(loss) on sale or disposal	-	-	-	-	-	(1,230)	-	(4,080)	-	-	-		(5,310)
Grants and foundations	119,542	404,466	84,189	121,315	65,702	-	5,600	28,917	134,283	42,149	-		1,006,163
Interest income	11,737	-	1	8,617	6,151	-	53,920	11,965	-	-	-		92,391
Other	39,703	848	3,467	3,456	630	103,050	548,417	275,643	86,458	18,594	(1,003,989)	(2)	76,277
	484,149	844,480	543,830	1,060,801	494,181	103,558	710,407	422,597	255,741	482,760	(1,003,989)		4,398,515
Net assets released from restrictions	34,738	-	-	-	-	-	3,851	-	-	-	-		38,589
TOTAL REVENUE AND OTHER SUPPORT	518,887	844,480	543,830	1,060,801	494,181	103,558	714,258	422,597	255,741	482,760	(1,003,989)		4,437,104
EXPENSES													
Client support	49,658	52,673	29,864	51,808	62,045	2,616	4,548	13,405	4,343	8,280	-		279,240
Depreciation	1,551	11,129	4,601	8,422	18,563	300	107,027	963	-	3,493	-		156,049
Fundraising	18,303	12,434	52,771	94,454	19,916	-	9,884	3,522	465	39,530	-		251,279
Occupancy and maintenance	38,365	100,199	37,502	25,431	19,024	1,104	18,840	4,552	80,586	115,662	(110,400)	(2)	330,865
Office	8,854	11,544	13,499	14,986	8,352	-	42,441	4,460	5,541	22,187	-		131,864
Other	276,984	177,150	62,694	94,336	51,965	100,006	192,181	23,622	11,335	53,412	(893,589)	(2)	150,096
Personnel	362,181	453,928	349,367	503,173	467,705	37	544,979	211,721	109,297	476,960	-		3,479,348
Professional fees	16	42,083	-	457	-	360	136,454	81	-	-	-		179,451
Property ownership	3,431	12,081	2,519	5,509	3,862	-	105,428	-	-	532	-		133,362
Staff training	1,462	7,282	511	13,963	914	-	10,876	208	450	1,542	-		37,208
Travel	1,098	5,132	2,070	2,445	2,415	-	15,944	94	-	1,439	-		30,637
TOTAL EXPENSES	761,903	885,635	555,398	814,984	654,761	104,423	1,188,602	262,628	212,017	723,037	(1,003,989)		5,159,399
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(243,016)	(41,155)	(11,568)	245,817	(160,580)	(865)	(474,344)	159,969	43,724	(240,277)	-		(722,295)
DONOR RESTRICTED ACTIVITY													
Donations	36,946	-	-	-	5,000	-	-	-	-	-	-		41,946
Fundraising	12,542	-	-	-	-	-	-	-	-	-	-		12,542
Grants and foundations	17,500	-	-	-	-	-	-	-	-	-	-		17,500
Net assets released from restrictions	(34,738)	-	-	-	-	-	(3,851)	-	-	-	-		(38,589)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	32,250	-	-	-	5,000	-	(3,851)	-	-	-	-		33,399
TOTAL CHANGE IN NET ASSETS	(210,766)	(41,155)	(11,568)	245,817	(155,580)	(865)	(478,195)	159,969	43,724	(240,277)	-		(688,896)
TOTAL NET ASSETS, BEGINNING OF YEAR	389,125	550,282	114,301	269,113	317,362	3,371	3,226,337	121,405	-	172,965	-		5,164,261
TOTAL NET ASSETS, END OF YEAR	$ 178,359	$ 509,127	$ 102,733	$ 514,930	$ 161,782	$ 2,506	$ 2,748,142	$ 281,374	$ 43,724	$ (67,312)	$ -		$ 4,475,365

(2) To eliminate intercompany transfers in the amount of $1,003,989.