RAPE, ABUSE & INCEST NATIONAL NETWORK
(RAINN)

AUDITED FINANCIAL STATEMENTS

YEARS ENDED MAY 31, 2025 AND 2024

Rape, Abuse & Incest National Network (RAINN)

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Independent Auditors' Report

To the Board of Directors
Rape, Abuse & Incest National Network (RAINN)
Washington, D.C.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Rape, Abuse & Incest National Network (RAINN)** (a nonprofit organization), which comprise the Statements of Financial Position as of May 31, 2025 and 2024, and the related Statements of Activities and Changes in Net Assets, 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 **Rape, Abuse & Incest National Network (RAINN)** as of May 31, 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 audits 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 Financial Statements section of our report. We are required to be independent of **Rape, Abuse & Incest National Network (RAINN)** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 **Rape, Abuse & Incest National Network (RAINN)'s** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditors' Report (Continued)

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 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 **Rape, Abuse & Incest National Network (RAINN)'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 **Rape, Abuse & Incest National Network (RAINN)'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.

Aprio, LLP

Rockville, Maryland
November 6, 2025

Statements of Financial Position

May 31,	**2025**	2024
Assets		
Cash and cash equivalents	**$ 481,350**	$ 703,263
Investments	**26,558,924**	29,220,153
Pledges receivable, net	**955,880**	141,483
Accounts receivable	**147,661**	1,267,140
Prepaid expenses and deposit	**524,962**	422,519
Property and equipment, net	**2,522,780**	2,254,711
Right-of-use assets - operating leases	**2,537,249**	3,047,521
Total assets	**$ 33,728,806**	$ 37,056,790
Liabilities and Net Assets		
Accounts payable and accrued expenses	**$ 1,951,751**	$ 2,181,456
Deferred revenue	**91,708**	174,103
Lease liabilities - operating leases	**3,124,520**	3,724,420
Total liabilities	**5,167,979**	6,079,979
Net assets		
Net assets without donor restrictions	**27,662,493**	30,534,524
Net assets with donor restrictions	**898,334**	442,287
Total net assets	**28,560,827**	30,976,811
Total liabilities and net assets	**$ 33,728,806**	$ 37,056,790

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Rape, Abuse & Incest National Network (RAINN)

Statements of Activities and Changes in Net Assets

Years Ended May 31,	**2025**	2024
Revenues and support		
Consulting service fees	**$ 13,296,968**	$ 12,276,168
Contributions	**4,764,009**	4,421,035
Federal grants	**700,746**	738,265
Contributed services and gifts-in-kind	**2,273,881**	1,675,653
Other revenue	**15,146**	29,654
Investment income	**1,866,261**	3,090,933
Net assets released from restrictions	**1,029,053**	5,591,117
Total revenues and support	**23,946,064**	27,822,825
Expenses		
Programs	**23,712,566**	22,069,363
Management and general	**645,473**	1,385,469
Fundraising	**2,182,688**	1,980,963
Total expenses	**26,540,727**	25,435,795
Loss on disposal of property and equipment	**(277,368)**	-
Total change in net assets without donor restrictions	**(2,872,031)**	2,387,030
Change in net assets with donor restrictions		
Contributions	**1,485,100**	5,405,263
Net assets released from restrictions	**(1,029,053)**	(5,591,117)
Total change in net assets with donor restrictions	**456,047**	(185,854)
Total change in net assets	**(2,415,984)**	2,201,176
Net assets, beginning of year	**30,976,811**	28,775,635
Net assets, end of year	**$ 28,560,827**	$ 30,976,811

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Year Ended May 31, 2025	Communications	Consulting Services	Public Policy	Victims Services	Total Programs	Fundraising	Management and General	**Total**
Salaries	$ 1,639,669	$ 2,174,115	$ 614,418	$ 9,879,582	$ 14,307,784	$ 1,085,943	$ 288,664	**$ 15,682,391.00**
Taxes - payroll	121,098	156,716	47,142	824,816	1,149,772	79,929	21,638	**1,251,339**
Employee benefits	128,808	172,686	48,352	860,421	1,210,267	86,286	35,150	**1,331,703**
Accounting	5,577	8,604	1,966	32,247	48,394	3,555	948	**52,897**
Bank and credit card fees	1,426	6,547	350	7,033	15,356	54,602	164	**70,122**
Conferences	21,795	17,833	7,542	93,130	140,300	10,667	21,102	**172,069**
Contractors and consultants	225,056	241,477	177,450	1,109,916	1,753,899	116,802	185,022	**2,055,723**
Credit losses	-	10,414	-	-	10,414	-	-	**10,414**
Depreciation and amortization	43,597	55,292	14,716	239,329	352,934	25,986	4,804	**383,724**
Equipment	1,623	2,152	608	9,840	14,223	1,075	286	**15,584**
Internet hosting	56,980	82,687	21,082	338,987	499,736	37,261	9,905	**546,902**
Legal	52,146	87,514	1,419,476	320,835	1,879,971	42,227	7,030	**1,929,228**
Liability insurance	9,867	35,499	3,847	60,615	109,828	6,680	1,019	**117,527**
Occupancy expense	66,930	88,086	25,225	403,222	583,463	44,711	16,580	**644,754**
Postage	41,704	1,096	382	6,501	49,683	5,988	635	**56,306**
Printing	47,937	162	103	-	48,202	6,000	6	**54,208**
Public education/awareness	839,946	71	24,386	1,084	865,487	423,639	332	**1,289,458**
Software	74,489	70,609	19,534	325,946	490,578	117,432	21,657	**629,667**
State registration fees/other taxes	-	-	20,957	-	20,957	15,503	-	**36,460**
Supplies	1,910	963	449	5,184	8,506	500	944	**9,950**
Telephone	12,199	15,489	3,810	61,374	92,872	6,734	1,790	**101,396**
Travel	27,672	6,181	11,366	14,721	59,940	11,168	27,797	**98,905**
Total	**$ 3,420,429**	**$ 3,234,193**	**$ 2,463,161**	**$ 14,594,783**	**$ 23,712,566**	**$ 2,182,688**	**$ 645,473**	**$ 26,540,727**

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Year Ended May 31, 2024	Communications	Consulting Services	Public Policy	Victims Services	Total Programs	Fundraising	Management and General	Total
Salaries	$ 1,306,218	$ 1,690,786	$ 497,188	$ 10,266,256	$ 13,760,448	$ 1,084,919	$ 715,997	$ 15,561,364
Taxes - payroll	106,211	132,897	40,654	875,401	1,155,163	80,558	57,054	1,292,775
Employee benefits	164,515	186,376	38,556	832,724	1,222,171	88,655	130,755	1,441,581
Accounting	6,852	8,569	2,462	52,613	70,496	5,893	3,447	79,836
Bank and credit card fees	782	4,671	275	6,680	12,408	60,504	374	73,286
Conferences	27,130	31,146	11,569	36,626	106,471	4,241	7,255	117,967
Contractors and consultants	209,392	89,857	154,709	637,769	1,091,727	90,562	275,638	1,457,927
Credit losses	-	-	-	-	-	-	9,525	9,525
Depreciation and amortization	23,127	26,217	8,767	154,874	212,985	17,142	13,887	244,014
Equipment	13,097	16,536	4,862	100,402	134,897	10,610	7,147	152,654
Internet hosting	50,219	74,329	18,826	388,636	532,010	41,608	27,115	600,733
Legal	14,089	77,392	1,345,493	107,523	1,544,497	11,707	7,842	1,564,046
Liability insurance	12,846	38,870	3,772	71,491	126,979	7,642	3,297	137,918
Occupancy expense	51,049	66,610	19,451	425,175	562,285	42,831	26,835	631,951
Postage	31,131	7,087	662	9,424	48,304	1,801	1,044	51,149
Printing	16,935	227	111	36,112	53,385	322	78	53,785
Public education/awareness	569,429	8,334	23,799	123,124	724,686	269,396	8,742	1,002,824
Software	66,456	59,501	27,026	326,299	479,282	118,922	26,991	625,195
State registration fees/other taxes	-	154	16,756	-	16,910	14,797	80	31,787
Supplies	2,721	2,150	643	10,106	15,620	2,801	5,160	23,581
Telephone	10,575	16,284	3,417	70,555	100,831	7,456	4,921	113,208
Travel	32,103	39,297	15,446	10,962	97,808	18,596	52,285	168,689
Total	$ 2,714,877	$ 2,577,290	$ 2,234,444	$ 14,542,752	$ 22,069,363	$ 1,980,963	$ 1,385,469	$ 25,435,795

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Statements of Cash Flows

Years Ended May 31,		**2025**		2024
Cash flows from operating activities				
Change in net assets	**$**	**(2,415,984)**	$	2,201,176
Adjustments to reconcile change in net assets to net cash used by operating activities				
Depreciation and amortization		**383,724**		244,014
Unrealized and realized gains on investments		**(1,947,456)**		(3,168,128)
Donated investments		**(222,849)**		(15,142)
Loss on disposal of property and equipment		**277,368**		-
(Increase) decrease in				
Pledges receivable		**(814,397)**		308,755
Accounts receivable		**1,119,479**		(465,107)
Prepaid expenses and deposit		**(102,443)**		(47,285)
Right-of-use assets - operating leases		**510,272**		492,953
Increase (decrease) in				
Accounts payable and accrued expenses		**(229,705)**		593,056
Deferred revenue		**(82,395)**		47,168
Lease liabilities - operating leases		**(599,900)**		(565,458)
Net cash used by operating activities		**(4,124,286)**		(373,998)
Cash flows from investing activities				
Purchase of investments		**(11,178,188)**		(7,062,715)
Proceeds from sale of investments		**16,009,722**		8,220,025
Purchase of property and equipment		**(929,161)**		(929,450)
Net cash provided by investing activities		**3,902,373**		227,860
Net change in cash and cash equivalents		**(221,913)**		(146,138)
Cash and cash equivalents, beginning of year		**703,263**		849,401
Cash and cash equivalents, end of year	**$**	**481,350**	$	703,263
Supplemental non-cash investing and financing activities				
Donated investments	**$**	**222,849**	$	15,142

The accompanying Notes to Financial Statements are an integral part of these financial statements.

1. Organization and significant accounting policies

Organization: Rape, Abuse & Incest National Network (RAINN) (the Organization) was organized for the charitable and educational purposes of establishing and maintaining the National Sexual Assault Hotline and other services for victims; educating the public about sexual assault; and improving the criminal justice response to sexual violence. As a Voluntary Health and Welfare organization, RAINN provides direct services for victims of sexual assault. RAINN is located and operates in Washington, D.C.

Basis of accounting: The financial statements of RAINN have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of presentation: Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions and reported as follows:

Net assets without donor restrictions - net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - net assets subject to donor-imposed stipulations as to time or purpose of use or net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the actions of RAINN. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions on the Statements of Activities and Changes in Net Assets. Net assets with donor restrictions for purpose and time were $898,334 and $442,287 as of May 31, 2025 and 2024, respectively.

Cash and cash equivalents: RAINN considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. RAINN maintains cash balances at one commercial bank, that can exceed the Federal Deposit Insurance Corporation (FDIC) insured deposit limit of $250,000 per financial institution. At May 31, 2025 and 2024, RAINN's cash balances held at the commercial bank exceeded the FDIC limit by approximately $210,000 and $513,000, respectively. Management does not believe that this results in any significant credit risk. RAINN has not experienced any losses through the date when the financial statements were available to be issued.

Investments: Investments consist of money market funds, common stock, exchange traded and close-end funds, and mutual funds, which are stated at fair value based on published market values, and common stock – structured investments which are valued at fair value utilizing quoted prices for similar assets in active markets. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Pledges receivable: Pledges receivable are comprised of federal and nonfederal receivables. RAINN records pledges in the period which they are promised or when expenses are incurred for federal programs. Unconditional promises to give are recorded as contributions when received. The allowance for doubtful accounts reflects the best estimate of probable losses determined principally on the basis of historical experience and specific allowances for known troubled accounts. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for doubtful accounts. Management believes the balance to be fully collectible, therefore no allowance for uncollectible pledges has been recorded.

Accounts receivable: Accounts receivable for contracts are recorded when expenses are incurred, or services or milestones are achieved for programs. The Organization monitors trade and other receivable balances and estimates the allowance for lifetime expected credit losses in accordance with ASU No. 2016-13, *Financial Instruments—Credit Losses*. Estimates of expected credit losses are based on historical collection experience and other factors, including current market factors and forecasted economic conditions. At May 31, 2025 and 2024, no allowance for credit losses was deemed necessary.

Property and equipment: Property and equipment are recorded at the original cost and are depreciated on a straight-line basis over estimated lives of three to five years with a capitalization policy of $5,000. Leasehold improvements to property are recorded at cost and are amortized over the lesser of the useful life or the remaining term of the lease. Expenditures for maintenance and repairs are expensed currently, while renewals and betterments that materially extend the life of an asset are capitalized. The cost of assets sold, retired, or otherwise disposed of, and the related allowance for depreciation are eliminated from the accounts, and any resulting gain or loss is recognized.

Leases: RAINN records lease transactions in accordance with Accounting Standards Codification 842, *Leases*, (ASC 842). For operating leases with initial lease terms greater than 12 months, operating lease right-of-use assets (ROU) and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. ROU assets also include adjustments related to lease payments made and lease incentives received at or before the commencement date. The ROU asset resulting from operating leases is disclosed as right-of-use assets – operating lease and the related liability is included in operating lease liabilities in the Statements of Financial Position. At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using the risk-free rate. Operating lease cost is recognized on a straight-line basis over the lease term as occupancy in the accompanying Statements of Functional Expenses. Lease and non-lease components of office lease agreements are accounted for as a single component. Lease terms may include options to extend or terminate the lease when it is reasonably certain that RAINN will exercise that option. RAINN determines if an arrangement is a lease at inception. All leases are recorded on the Statements of Financial Position except for leases with an initial term less than 12 months for which RAINN made the short-term lease election.

Revenue recognition:

RAINN recognizes revenue in accordance with Accounting Standards Codification 606, *Revenue from Contracts with Customers* ("ASC 606"). The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied. The five-step model is outlined below:

Step 1: Identify the contract(s) with a customer.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Consulting service fees – RAINN has contracts with customers to provide hotline and consulting services. Revenue from the contracts is recognized over time as the services are provided. Receivables related to service fee contracts was $147,661 and $1,267,140 as of May 31, 2025 and 2024, respectively, and was $802,003 as of June 1, 2023. Funds received in advance are contract liabilities and are shown as deferred revenue on the accompanying Statements of Financial Position. Deferred revenue related to service fee contracts was $91,708 and $174,103 as of May 31, 2025 and 2024, respectively, and was $126,935 as of June 1, 2023.

The transaction price for service fees is generally fixed with no significant forms of variable consideration. Most of RAINN's contracts have components or other tasks that are considered distinct and are executed independently of one another. In these cases, RAINN has accounted for each task as a separate performance obligation. The transaction price is allocated to the multiple performance obligations using a stand-alone selling price which is based on a cost-plus margin approach.

RAINN generally recognizes revenue over time for each performance obligation and uses a variety of input and output methods. Outputs can be based upon trainings or certain other defined deliverables or, in some cases, time increments. Inputs are typically based on labor cost or hours inputs.

Contract costs – Contract fulfillment costs include the direct cost of labor and supplies. RAINN does not incur significant incremental costs to acquire contracts. Costs are expensed as they are incurred.

Sales of merchandise – RAINN sells shirts, key-chains, and other small merchandise items which include its logo or program message. Revenues from merchandise are recognized at the time of sale.

The following revenue streams are outside the scope of ASC 606:

Contributions – RAINN recognizes all unconditional contributions received as income in the period in which the commitment is made. Contributions are reported as with or without donor restrictions depending on the absence or existence of donor stipulations that limit the use of the contributions.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Conditional contributions are recognized as revenue when the conditions on which they depend are substantially met. There were no balances of conditional pledges not yet earned from non-federal sources as of May 31, 2025 and 2024, respectively. Amounts received in advance of conditions being met are recorded as deferred revenue. As of May 31, 2025 and 2024, there was no deferred revenue related to conditional contributions.

Federal grants – Revenue from federal grants is considered a conditional contribution where revenue is not recorded until qualifying expenses are incurred and is recognized in amounts equal to total qualifying expenditures made during the period for the purposes specified by the grant. Amounts received in advance are recorded in deferred revenue, and revenue associated with expenditures incurred prior to receiving reimbursement are recorded as pledges receivable. Balances of conditional pledges not yet earned for federal grants total $1,213,390 and $1,914,137 as of May 31, 2025 and 2024, respectively.

Contributed services and gifts-in-kind – RAINN receives contributed legal assistance, media, web hosting, and technology services. Gifts-in-kind that can be used or sold are measured at fair value and recognized as contributions when received. Contributed services are those that can create or enhance a nonfinancial asset or require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated. These services are reported at their estimated fair value based on donor provided detail of the market value of services provided. These contributions were also expensed and reported by function on the Statements of Functional Expenses. See Note 10.

Functional allocation of expenses: The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs, detailed in the Statements of Functional Expenses, have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

Expenses	Method of Allocation
Bank and credit card fees	Time and effort by department
Contractors and consultants	Time and effort by department
Depreciation and amortization	Time and effort by department
Employee benefits	Time and effort by department
Internet hosting	Time and effort by department
Liability insurance	Time and effort by department
Occupancy expenses	Time and effort by department
Postage	Time and effort by department
Printing	Time and effort by department
Software	Time and effort by department
Travel	Time and effort by department

Cash flow classification of donated financial assets: Cash receipts from the sale of donated securities with no donor-imposed restrictions are included in the operating section of the Statements of Cash Flows, while cash receipts from the sale of donated securities with donor-imposed long-term restrictions are classified as financing activities. Otherwise, receipts from the sale of donated financial assets are classified as cash flows from investing activities.

Tax status: RAINN is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

RAINN evaluates uncertainty in income tax positions based on a more-likely-than not recognition standard. If that threshold is met, the tax position is then measured at the largest amount that is greater than 50% likely of being realized upon ultimate settlement. As of May 31, 2025 and 2024, there are no accruals for uncertain tax positions. If applicable, RAINN records interest and penalties as a component of income tax expense. Tax years from 2022 through the current year remain open for examination by tax authorities.

Use of accounting 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: Management has evaluated subsequent events for disclosure in these financial statements through November 6, 2025, which is the date the financial statements were available to be issued.

2. Liquidity and availability of resources

The table below presents financial assets available for general expenditures within one year at May 31:

	2025	2024
Cash and cash equivalents	**$ 481,350**	$ 703,263
Investments	**26,558,924**	29,220,153
Pledges receivable, net	**955,880**	141,483
Accounts receivable	**147,661**	1,267,140
Total resources available	**28,143,815**	31,332,039
Less amounts not available to be used within one year:		
Long-term pledges receivable, net	**(575,926)**	-
Net assets with donor restrictions	**(898,334)**	(442,287)
Financial assets available to meet general expenditures over the next twelve months	**$ 26,669,555**	$ 30,889,752

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. The Organization has various sources of liquidity including cash and cash equivalents, marketable debt and equity securities, and contributions with and without donor restrictions. The Organization considers all expenditures related to its ongoing activities of supporting the Organization's mission, fundraising and administration to be general expenditures. The Organization strives to maintain liquid financial assets sufficient to cover at least six months of general expenditures.

3. Program descriptions

Victims Services: RAINN created and operates the National Sexual Assault Hotline, which is available by phone (800.656.HOPE), online in English (online.RAINN.org) and Spanish (RAINN.org/es), and by texting HOPE to 64673. RAINN also operates Safe Helpline, a service for members of the U.S. military affected by sexual assault, through a contract with the Department of Defense. RAINN works closely with more than 1,000 local sexual assault service providers to offer confidential support services, available 24/7, to survivors across the country.

Communications: RAINN educates the public about sexual violence and works with national media and the entertainment industry to elevate sexual violence storylines and reach millions of households across the country. RAINN also operates RAINN.org and social media platforms to provide information about sexual violence, connect people to support, and engage with communities about these issues. Through outreach to communities and community partnerships, RAINN is able to mobilize the public to play a role in prevention and recovery.

Public Policy: RAINN works at the federal and state levels to improve the criminal justice system, prevent sexual assault, and ensure justice for survivors. RAINN develops and promotes public policy changes that make communities safer and holds offenders accountable. RAINN also leads the national effort to end the rape kit backlog and reform state statutes of limitations laws.

Consulting Services: RAINN works with clients across the public, private, and nonprofit sectors to develop targeted, effective sexual assault education and response programs. RAINN offers a variety of specialized consulting services to meet each organization's unique needs, including hotline services, program assessments, and education and training.

4. Pledges receivable

As of May 31, 2025 and 2024, RAINN's pledges receivable are comprised of conditional contributions receivable and other unconditional pledges which consist of the following as of May 31:

	2025	2024
Due within 1 year	**$ 379,954**	$ 141,483
One to five years	**600,000**	-
Subtotal	**979,954**	141,483
Less present value discount	**(24,074)**	-
Total pledges receivable	**$ 955,880**	$ 141,483

Pledges receivable due beyond one year are recorded at their present value using risk-adjusted discount rates at the time the promises are received which was 3.96% and 0% at May 31, 2025 and 2024, respectively. The amortization of the discount is included in contribution revenue.

5. Investments

The following is a summary of RAINN's investments as of May 31:

	2025	2024
Common stock	**$ -**	$ 107,898
Common stock – structured investments	**3,449,813**	3,877,923
Exchange traded and close-end funds	**9,357,061**	7,919,426
Mutual funds – fixed income, preferred securities and equities	**13,752,050**	17,314,906
Total investments	**$ 26,558,924**	$ 29,220,153

6. Fair value

RAINN values certain assets in accordance with a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets for identical assets or liabilities.

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the entity to develop its own assumptions.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The fair value of RAINN's investments is as follows:

		Fair Value Measurements Using:		
May 31, 2025	**Total**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Common stock – structured investments	**$ 3,449,813**	$ -	**$ 3,449,813**	$ -
Exchange traded and close-end funds	**9,357,061**	**9,357,061**	-	-
Mutual funds – fixed income, preferred securities and equities	**13,752,050**	**13,752,050**	-	-
Total	**$26,558,924**	**$ 23,109,111**	**$ 3,449,813**	**$ -**

May 31, 2024	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stock	$ 107,898	$ 107,898	$ -	$ -
Common stock – structured investments	3,877,923	-	3,877,923	-
Exchange traded and close-end funds	7,919,426	7,919,426	-	-
Mutual funds – fixed income, preferred securities and equities	17,314,906	17,314,906	-	-
Total	$ 29,220,153	$ 25,342,230	$ 3,877,923	$ -

Level 2 values for common stock - structured investments were developed utilizing quoted prices for similar assets in markets without active trading volumes.

7. Property and equipment

Property and equipment consist of the following at May 31:

	2025	2024
Furniture and equipment	**$ 378,046**	$ 325,745
Software	**2,750,256**	2,150,764
Leasehold improvements	**845,008**	845,008
Total property and equipment	**3,973,310**	3,321,517
Less: Accumulated depreciation and Amortization	**(1,450,530)**	(1,066,806)
Total property and equipment, net	**$ 2,522,780**	$ 2,254,711

Depreciation and amortization expense for the years ended May 31, 2025 and 2024, was $383,724 and $244,014 respectively.

8. Operating lease

In accordance with ASC 842, RAINN evaluates current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent RAINN's right to use underlying assets for the lease term, and the lease liabilities represent RAINN's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, under the operating leases, were calculated based on the present value of future lease payments over the lease terms. The weighted-average discount rate applied to calculate lease liabilities as of May 31, 2025 and 2024, was 2.98%. As of May 31, 2025 and 2024, the weighted-average remaining lease term for the Organization's operating leases was approximately 4.5 and 5.5 years, respectively.

RAINN is obligated, as lessee, under a non-cancelable operating lease for office space in Washington, D.C. The lease commenced on January 1, 2013 and will end on November 30, 2029 (including extensions) with fixed annual increases of 2.5% during the lease term.

For the years ended May 31, 2025 and 2024, total operating lease cost was $625,334 and $613,130, respectively.

Cash paid for operating leases for the years ended May 31, 2025 and 2024, was $702,758 and $685,634, respectively. There were no noncash investing and financing transactions related to leasing.

Future maturities of the lease obligation under non-cancellable leases as of May 31, 2025, are as follows:

Year Ending May 31,	Total
2026	$ 716,104
2027	728,006
2028	746,206
2029	764,861
Thereafter	391,176
Total	3,346,353
Less: imputed interest	(221,833)
Lease liabilities – operating	**$ 3,124,520**

9. Concentration of revenue

The contract with the Department of Defense comprises 48% and 39% of total revenue for the fiscal years ended May 31, 2025 and 2024, respectively and one contract made up 33% and 73% of the accounts receivable balance as of May 31, 2025 and 2024, respectively. Contributions from one donor made up 4% and 18% of total revenue for the fiscal years ended May 31, 2025 and 2024, respectively, and one donor made up 95% and 94% of total pledges receivable as of May 31, 2025 and 2024, respectively.

10. Contributed services and gifts-in-kind

Contributed services and gifts-in-kind consisted of the following for the years ended May 31:

	2025	2024
Legal – policy	**$ 1,630,161**	$ 1,369,591
Public education services	**332,228**	157,524
Software	**151,118**	-
Other	**160,374**	148,538
Total	**$ 2,273,881**	$ 1,675,653

11. Net assets with donor restrictions

Net assets with donor restrictions are available for the following purposes at May 31:

	2025	2024
Temporary purpose restrictions		
Victim Services	**$ 75,000**	$ 429,172
Public Policy	**823,334**	5,000
Temporary time restrictions	-	8,115
Total net assets with donor Restrictions	**$ 898,334**	$ 442,287

12. Related party transactions

RAINN entered into a contracting agreement with A&I Publishing for their services to RAINN. A&I Publishing is wholly owned by the President of RAINN. During the years ended May 31, 2025 and 2024, RAINN incurred expenses of $625,240 and $589,688, respectively, under this agreement. In addition, RAINN reimbursed A&I Publishing approximately $13,509 and $12,233 for the years ended May 31, 2025 and 2024, respectively, for costs incurred by A&I Publishing on behalf of RAINN. The amount due to A&I Publishing as of May 31, 2025 and 2024 was $131,157 and $123,699, respectively, which is included in accounts payable and accrued expenses on the accompanying Statements of Financial Position.

13. Collective bargaining agreement

Approximately 8% and 7% of the Organization's employees are covered by a collective bargaining agreement as of May 31, 2025 and 2024, respectively. The agreement was renewed June 1, 2025 and expires May 31, 2030.