REFUGE FOR WOMEN, INC.
DENTON, TEXAS

REPORT TO MANAGEMENT

YEAR ENDED DECEMBER 31, 2025

C O N T E N T S

June 26, 2026

Board of Directors
Refuge for Women, Inc.
Denton, Texas

We have audited the consolidated financial statements of Refuge for Women, Inc. (Refuge) for the year ended December 31, 2025, and have issued our report thereon dated June 26, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 1, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters and Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Refuge are described in the notes to the consolidated financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2025. We noted no transactions entered into by the Refuge during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the consolidated financial statements was:

Management's estimate for the allocation of indirect expenses between program, general and administrative, and fundraising classifications. Such allocations require management to use a reasonable cost allocation method, such as time and/or effort, to present such expenses on a functional basis.

The consolidated financial statement disclosures are neutral, consistent, and clear. Certain consolidated financial statement disclosures are particularly sensitive because of their significance to consolidated financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit and appreciate the excellent cooperation we received from the Refuge's personnel during the audit.

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Board of Directors
Refuge for Women, Inc.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, some of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the consolidated financial statements taken as a whole. A copy of the adjusting journal entries has been included with the reports provided.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Refuge's consolidated financial statements or a determination of the type of auditors' opinion that may be expressed on those consolidated statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the Refuge's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

As reported in Note O of the audit report for the year ended December 31, 2025, a prior period restatement was made relating to the note receivable from RFW Housing LLC. A discount on the note receivable was not recognized in the consolidated financial statements as of December 31, 2024 due to management's expressed intention of forgiving the note receivable in 2025 at the time the 2024 audit was issued. However, at a later date in 2025, management made the decision to start enforcing the terms of the note receivable from RFW Housing LLC. Because the stated interest rate on the note receivable is below market rates for comparable lending agreements, and in order to be in accordance with FASB ASC 835-30, the note receivable must be recorded at the present value of expected future cash flows using a discount rate when material to the consolidated financial statements. Management has determined 4.25% to be a reasonable market rate as of December 31, 2024. The resulting discount of $52,329 was recorded at December 31, 2024 and will be amortized to interest revenue over the term of the note receivable.

Board of Directors
Refuge for Women, Inc.

Other Matters

With respect to the supplemental information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of the Refuge and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Hicks & Associates CPAs, PLLC

REFUGE FOR WOMEN, INC.
DENTON, TEXAS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

YEAR ENDED DECEMBER 31, 2025

HICKS & ASSOCIATES CPAS, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

C O N T E N T S

Hicks & Associates CPAs, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Refuge for Women, Inc.
Denton, Texas

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, 2025, 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, 2025, 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 21 and 22 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, PLLC

Lexington, Kentucky

June 26, 2026

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 1,376,116
Grants receivable	18,300
Pledges receivable	314,055
Note receivable - current portion	3,932
Prepaid expenses	94,576
TOTAL CURRENT ASSETS	1,806,979
OTHER ASSETS	
Cash and cash equivalents - donor restricted	179,677
Investment in subsidiary	100
Note receivable, less current portion - net of discount	243,739
TOTAL OTHER ASSETS	423,516
PROPERTY AND EQUIPMENT	
Buildings and improvements	2,684,179
Equipment	29,430
Furniture and fixtures	18,119
Land	549,112
Leasehold improvements	593,872
Vehicles	295,093
TOTAL PROPERTY AND EQUIPMENT	4,169,805
Accumulated depreciation	(822,211)
PROPERTY AND EQUIPMENT, NET	3,347,594
TOTAL ASSETS	$ 5,578,089
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	$ 148,212
Line of credit	84,765
Mortgages payable - current portion	30,156
TOTAL CURRENT LIABILITIES	263,133
LONG-TERM LIABILITIES	
Mortgages payable, less current portion	878,117
TOTAL LONG-TERM LIABILITIES	878,117
TOTAL LIABILITIES	1,141,250
NET ASSETS	
Without donor restrictions	4,257,162
With donor restrictions	179,677
TOTAL NET ASSETS	4,436,839
TOTAL LIABILITIES AND NET ASSETS	$ 5,578,089

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND OTHER SUPPORT			
Donations	$ 2,669,496	$ 123,884	$ 2,793,380
Fundraising	1,424,646	-	1,424,646
Interest	10,672	-	10,672
Grants and foundations	1,131,904	-	1,131,904
Other	140,483	-	140,483
	5,377,201	123,884	5,501,085
Net assets released from restrictions	475,641	(475,641)	-
TOTAL REVENUE AND OTHER SUPPORT	5,852,842	(351,757)	5,501,085
OPERATING EXPENSES			
Program	4,065,771	-	4,065,771
General and administrative	559,036	-	559,036
Fundraising	779,251	-	779,251
TOTAL OPERATING EXPENSES	5,404,058	-	5,404,058
CHANGE IN NET ASSETS BEFORE DISCONTINUED OPERATIONS	448,784	(351,757)	97,027
DISCONTINUED OPERATIONS	(266,537)	-	(266,537)
TOTAL CHANGE IN NET ASSETS	182,247	(351,757)	(169,510)
TOTAL NET ASSETS, BEGINNING OF YEAR	4,074,915	531,434	4,606,349
TOTAL NET ASSETS, END OF YEAR	$ 4,257,162	$ 179,677	$ 4,436,839

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	PROGRAM	GENERAL AND ADMINISTRATIVE	FUNDRAISING	TOTAL
Client support	$ 446,393	$ -	$ -	$ 446,393
Depreciation	147,604	-	-	147,604
Fundraising	461	-	319,262	319,723
Occupancy and maintenance	230,438	9,800	-	240,238
Office	50,553	34,774	28,891	114,218
Other	49,308	3,382	5,178	57,868
Personnel	2,832,045	394,689	392,248	3,618,982
Professional fees	63,839	106,207	28,750	198,796
Property ownership	160,286	1,581	-	161,867
Staff training	44,438	3,168	1,051	48,657
Travel	40,406	5,435	3,871	49,712
TOTAL OPERATING EXPENSES	$ 4,065,771	$ 559,036	$ 779,251	$ 5,404,058

See Notes to Consolidated Financial Statements.

REFUGE FOR WOMEN, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in total net assets	$ (169,510)
Adjustments to reconcile change in total net assets to net change from operating activities:	
Debt forgiveness revenue	(592,500)
Loss on disposal of property and equipment	823,348
Depreciation	162,329
Changes in operating assets and liabilities:	
(Increase) decrease in grants receivable	138,451
(Increase) decrease in pledges receivable	(314,055)
(Increase) decrease in prepaid expenses	(48,911)
Increase (decrease) in accounts payable and accrued expenses	(29,568)
NET CHANGE FROM OPERATING ACTIVITIES	(30,416)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(376,320)
NET CHANGE FROM INVESTING ACTIVITIES	(376,320)
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on line of credit	(40,000)
Payments on mortgages payable	(40,483)
Proceeds from line of credit	70,000
NET CHANGE FROM FINANCING ACTIVITIES	(10,483)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(417,219)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,973,012
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,555,793
Cash paid during the year for interest:	$ 61,531

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. The Refuge is, however, subject to income taxes on unrelated business income, of which management has determined there was none for the year ended December 31, 2025. As of December 31, 2025, 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, accounts payable and accrued expenses. 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, 2025:

Cash and cash equivalents - operating	$1,376,116
Cash and cash equivalents - donor restricted	179,677
Total cash and cash equivalents	$1,555,793

Accounts, Grants, and Pledges 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 receivables 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 receivables will be collected, and therefore, these consolidated financial statements do not include an allowance for expected credit losses. If receivables become uncollectible, they will be charged to bad debt expense. Accounts receivable as of the beginning and end of the year was $0 and $0, respectively. Grants receivable as of the beginning and end of the year was $156,751 and $18,300, respectively.

If unconditional, pledges receivable are recorded in the year the pledge is received. Pledges receivable as of the beginning and end of the year was $0 and $314,055, respectively. Pledges receivable at December 31, 2025 are recorded at no discount and are due in 2026.

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 $162,329 for the year ended December 31, 2025.

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. 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.

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.

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.

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.

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, 2025.

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 pay back the $300,000 over a forty (40) year period beginning October 31, 2024. Payments of principal and interest of $1,074 will be due monthly with final payment due December 31, 2064, the maturity date. Because the stated interest rate on the note receivable is below market rates for comparable lending agreements, the note receivable has been recorded at the present value of expected future cash flows using a discount rate. Management has determined 4.25% to be a reasonable market rate. The discount is amortized to interest revenue over the term of the note receivable. As of December 31, 2025 and 2024, the note receivable had an outstanding principal balance of $300,000 and $300,000, less an unamortized discount of $52,329 and $52,329, resulting in a net carrying value of $247,671 and $247,671, respectively.

Interest revenue earned on the note receivable was $10,672 for the year ended December 31, 2025. No principal payments were received during the year ended December 31, 2025, therefore, amortization of the discount on the note receivable was $0 for the year ended December 31, 2025.

Scheduled principal repayments of the note receivable are as follows as of December 31, 2025:

Year	
2026	$ 3,932
2027	4,051
2028	4,174
2029	4,300
2030	4,431
Thereafter	279,112
	$300,000

Future amortization of the discount on the note receivable is as follows as of December 31, 2025:

Year	
2026	$ 1,533
2027	1,549
2028	1,564
2029	1,577
2030	1,590
Thereafter	44,516
	$ 52,329

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 E - 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. During 2024, the mortgage note maturity was extended by one-year with any remaining outstanding principal due and payable on December 1, 2025. In May 2025, the Refuge was released of its mortgage payable obligations to Felician Sisters of North America Real Estate Trust for the Pennsylvania property. The mortgage payable was transferred and assigned to a separate, unrelated organization. Debt forgiveness revenue of $592,500 was recognized upon release of the mortgage payable obligations. The debt forgiveness revenue has been netted in discontinued operations in the consolidated statement of activities (See Note M).

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, 2025 was $676,021. Interest expense on the mortgage totaled $40,971 for the year ended December 31, 2025.

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 in May 2024, principal and interest payments of $892 are due semi-monthly. The interest rate will adjust in May 2029 and every 60 months thereafter. The interest rate will be based on the weekly average yield on U.S. Treasury securities plus 3.50% and will never be greater than 24.00% or less than 7.50%. All unpaid principal and accrued and unpaid interest are due and payable on May 21, 2044. The mortgage payable balance as of December 31, 2025 was $232,252. Interest expense on the mortgage totaled $12,764 for the year ended December 31, 2025.

Future maturity of all debt is as follows:

Year	
2026	$ 30,156
2027	32,099
2028	34,110
2029	36,372
2030	39,055
Thereafter	736,481
Total	$908,273

NOTE F - LINES OF CREDIT

The Refuge opened a revolving line of credit (LOC) with JPMorgan Chase Bank in March 2022 with a limit of $200,000. The LOC bears an interest rate of 7.44% as of December 31, 2025. All outstanding principal, plus all accrued and unpaid interest, are due on March 25, 2027, the maturity date. The balance of the LOC as of December 31, 2025 was $0. Interest paid on the LOC was $0 for the year ended December 31, 2025.

The Refuge opened a LOC with First State Bank in August 2024 with a limit of $350,000. The LOC bears an interest rate of 8.00% as of December 31, 2025. All outstanding principal, plus all accrued and unpaid interest, are due on August 1, 2026, the maturity date. The LOC is collateralized by a Refuge property located in Texas. The balance of the LOC as of December 31, 2025 was $84,765. Interest paid on the LOC was $7,796 for the year ended December 31, 2025.

NOTE G - DESCRIPTION OF LEASING ARRANGEMENTS

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, 2025.

The Refuge rented a Nevada residential space that required payments of $2,600 per month through February 2025. Rent expense paid for the residence was $5,200 for the year ended December 31, 2025.

The Refuge rented an Illinois residential space that required payments of $1,850 per month through March 2025. The Refuge renewed the lease through March 2026. Rent expense paid for the residential space was $22,200 for the year ended December 31, 2025. The Refuge is contractually committed to lease obligations in 2026 of $5,550.

The Refuge rents Illinois office space that requires quarterly payments of $969. The agreement continues on a month-to-month basis. Rent expense paid for the office space was $2,906 for the year ended December 31, 2025.

The Refuge rents Texas office space that requires monthly payments of $540 and continues on a month-to-month basis. Rent expense paid for the office space was $5,943 for the year ended December 31, 2025.

The Refuge's Emergency Housing Pittsburgh location rented a residential space from the Refuge's Central location for $3,000 per month through May 2025. Rent expense for the residential space was $15,000 for the year ended December 31, 2025. The associated revenue and expense has been eliminated in the consolidated statement of activities.

The Refuge's Emergency Housing Las Vegas location rents a residential space from the Refuge's Central location for $6,200 per month. Rent expense for the residential space was $74,400 for the year ended December 31, 2025. The associated revenue and expense has been eliminated in the consolidated statement of activities.

The Refuge's Emergency Housing Kentucky location rents a residential space from the Refuge's Central location for $1,950 per month. Rent expense for the residential space was $23,400 for the year ended December 31, 2025. The associated revenue and expense has been eliminated in the consolidated statement of activities.

NOTE H - 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 $56,763 for the year ended December 31, 2025.

NOTE I - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures within one year of the December 31, 2025 consolidated statement of financial position date comprise the following:

Financial assets at year-end:	$2,135,819
Less those unavailable for general expenditure within one year:	
Cash and cash equivalents - donor restricted	(179,677)
Note receivable - net of discount	(243,739)
Financial assets available to meet cash needs within one year:	$1,712,403

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 bank lines of credit with JPMorgan Chase Bank of $200,000 and First State Bank of $265,235 as of December 31, 2025.

NOTE J - 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%. 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. As of December 31, 2024, $3,938,191 of construction loan proceeds had been received from Hope of the Midwest by RFW Housing LLC. RFW Housing LLC paid off the entire balance of the loan with Hope of the Midwest in 2025.

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. As of December 31, 2025, $640,752 of loan proceeds had been received from Kentucky Housing Corporation by RFW Housing LLC.

The loans are guaranteed by the Refuge, RFW Housing MM LLC, and RFW Housing LLC. The loan proceeds were used for the construction of twenty-four (24) affordable housing units on land located in Kentucky that is owned by the Refuge.

NOTE J - COMMITMENTS - CONTINUED

The Refuge has a fifteen (15) year obligation to operate the twenty-four (24) housing unit complex and lease the units to individuals that qualify for low-income housing. RFW Housing LLC estimates a $135,000 cost per year to operate. The Refuge has elected to supplement the rent for individuals in their program but will be required to cover any operating deficit that results from rent not paid by individuals in their program. After the fifteen (15) years, the Refuge will own the twenty-four (24) unit complex but will not be bound by the operating deficit guarantee. However, the Refuge will still be required to lease the units to individuals who qualify for low-income housing for an additional fifteen (15) years.

For the year ended December 31, 2025, the Refuge recognized expenses of $97,654 for supplementing rent for individuals of the program and operating costs of the twenty-four (24) unit housing complex.

NOTE K - NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2025, the Refuge has donor restricted funds that are restricted for the following purposes:

Restricted Funds		Purpose
$ 55,794	-	Awarding future scholarships
28,883	-	Client support and care
40,000	-	Emergency house expansion
55,000	-	Purchasing vehicles for program services
$179,677		

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 Central (formally known as National) Board but other members are determined locally. The Central 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 21 and 22 of the supplemental information.

In May 2025, the Emergency Housing Pittsburgh location disaffiliated from the Refuge and became a separate, unrelated organization. The 2025 financial activity of the Emergency Housing Pittsburgh location has been netted in discontinued operations in the consolidating schedule of activities by location (See Note M).

Effective July 31, 2025, the Emergency Housing Kentucky location merged with the Kentucky location. The consolidating schedule of activities by location reflects its activity prior to the July 31, 2025 merger date.

NOTE M - DISCONTINUED OPERATIONS

In May 2025, the Emergency Housing Pittsburgh location disaffiliated from the Refuge and became a separate, unrelated organization. Accordingly, the financial activity of the Emergency Housing Pittsburgh location and certain affected financial activity of the Central location have been netted and classified as discontinued operations in the accompanying consolidated financial statements.

The following table summarizes the net operating results of the discontinued operations for the year ended December 31, 2025:

	LOCATION		
	Central	Emergency Housing Pittsburgh	Total
Revenue:			
Donations	$ -	$ 142,039	$ 142,039
Fundraising	-	7,235	7,235
Grants and foundations	-	29,800	29,800
Other	31,384	173,330	204,714
Debt forgiveness	592,500	-	592,500
Total Revenue	623,884	352,404	976,288
Expenses:			
Client support	(-)	(6,292)	(6,292)
Depreciation	(11,223)	(3,502)	(14,725)
Fundraising	(-)	(614)	(614)
Occupancy and maintenance	(-)	(28,840)	(28,840)
Office	(-)	(3,841)	(3,841)
Other	(173,330)	(18,946)	(192,276)
Personnel	(-)	(155,878)	(155,878)
Professional fees	(15,530)	(-)	(15,530)
Property ownership	(-)	(350)	(350)
Staff training	(-)	(1,131)	(1,131)
Loss on disposal	(728,216)	(95,132)	(823,348)
Total Expenses	(928,299)	(314,526)	(1,242,825)
Intercompany eliminations	141,946	(141,946)	-
Change in net assets from discontinued operations	$(162,469)	$(104,068)	$(266,537)

The following table summarizes the net cash flows attributable to the discontinued operations for the year ended December 31, 2025:

	LOCATION		
	Central	Emergency Housing Pittsburgh	Total
Net change from:			
Operating activities	$(29,337)	$(54,910)	$(84,247)
Investing activities	-	-	-
Financing activities	(12,000)	-	(12,000)
Net change in cash and cash equivalents	$(41,337)	$(54,910)	$(96,247)

NOTE M - DISCONTINUED OPERATIONS - CONTINUED

At December 31, 2024, the assets and liabilities of the Emergency Housing Pittsburgh location and affected Central location portion consisted primarily of cash and cash equivalents, property and equipment, intercompany advances, accounts payable and accrued expenses, and a mortgage payable.

NOTE N - 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 O - PRIOR PERIOD RESTATEMENT

A subsequent event footnote disclosed in the audit report for the year ended December 31, 2024, stated that the Refuge intended to forgive the note receivable from RFW Housing LLC (See Note D) during the year ended December 31, 2025. However, during 2025, management made the decision to start enforcing the terms of the note receivable from RFW Housing LLC. Due to the anticipated forgiveness of the note receivable at the time the 2024 audit report was issued, a discount on the note receivable was not recognized as of December 31, 2024.

Because the stated interest rate on the note receivable is below market rates for comparable lending agreements, the note receivable should be recorded at the present value of expected future cash flows using a discount rate. Management has determined 4.25% to be a reasonable market rate as of December 31, 2024. The resulting discount of $52,329 was recorded at December 31, 2024 and will be amortized to interest revenue over the term of the note receivable.

The restatement had the following effect on the previously issued December 31, 2024 consolidated financial statements and has been included in the beginning net assets for the year ended December 31, 2025:

As of December 31, 2024	Originally Reported	Restated Amount
Note receivable - net of discount	$ 300,000	$ 247,671
Ending total assets	$6,432,479	$6,380,150
Ending total net assets	$4,658,678	$4,606,349

NOTE P - DATE OF MANAGEMENT'S REVIEW

The Refuge's subsequent events have been evaluated by management through June 26, 2026, which is the date the consolidated financial statements were available to be issued.

REFUGE FOR WOMEN, INC.
DENTON, TEXAS

SUPPLEMENTAL INFORMATION

YEAR ENDED DECEMBER 31, 2025

REFUGE FOR WOMEN, INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION BY LOCATION
DECEMBER 31, 2025

ASSETS	KENTUCKY	LAS VEGAS	CHICAGO	N. TEXAS	TEXAS GULF COAST	CENTRAL	ELIMINATIONS		TOTAL ALL LOCATIONS
CURRENT ASSETS									
Cash and cash equivalents	$ 237,430	$ 112,464	$ 254,477	$ 262,168	$ 133,384	$ 376,193	$ -		$ 1,376,116
Grants receivable	-	-	534	-	17,766	-	-		18,300
Pledges receivable	40,000	-	-	74,055	-	200,000	-		314,055
Advances to related parties	448,061	-	-	311,562	-	-	(759,623)	(1)	-
Note receivable - current portion	-	-	-	-	-	3,932	-		3,932
Prepaid expenses	7,360	5,253	4,730	43,858	6,678	26,697	-		94,576
TOTAL CURRENT ASSETS	732,851	117,717	259,741	691,643	157,828	606,822	(759,623)		1,806,979
OTHER ASSETS									
Cash and cash equivalents - donor restricted	68,883	-	-	55,000	-	55,794	-		179,677
Investment in subsidiary	-	-	-	-	-	100	-		100
Note receivable, less current portion - net of discount	-	-	-	-	-	243,739	-		243,739
TOTAL OTHER ASSETS	68,883	-	-	55,000	-	299,633	-		423,516
PROPERTY AND EQUIPMENT									
Buildings and improvements	-	-	-	-	-	2,684,179	-		2,684,179
Equipment	-	5,460	-	-	10,500	13,470	-		29,430
Furniture and fixtures	18,119	-	-	-	-	-	-		18,119
Land	-	-	-	-	-	549,112	-		549,112
Leasehold improvements	37,861	8,249	-	78,494	107,887	361,381	-		593,872
Vehicles	75,282	56,466	27,006	79,839	56,500	-	-		295,093
TOTAL PROPERTY AND EQUIPMENT	131,262	70,175	27,006	158,333	174,887	3,608,142	-		4,169,805
Accumulated depreciation	(66,053)	(63,800)	(27,006)	(86,757)	(75,821)	(502,774)	-		(822,211)
PROPERTY AND EQUIPMENT, NET	65,209	6,375	-	71,576	99,066	3,105,368	-		3,347,594
TOTAL ASSETS	$ 866,943	$ 124,092	$ 259,741	$ 818,219	$ 256,894	$ 4,011,823	$ (759,623)		$ 5,578,089
LIABILITIES AND NET ASSETS									
CURRENT LIABILITIES									
Accounts payable and accrued expenses	$ 36,678	$ 2,965	$ 14,842	$ 38,435	$ 23,927	$ 31,365	$ -		$ 148,212
Advances from related parties	-	-	-	-	-	759,623	(759,623)	(1)	-
Line of credit	-	-	-	-	84,765	-	-		84,765
Mortgages payable - current portion	-	-	-	-	-	30,156	-		30,156
TOTAL CURRENT LIABILITIES	36,678	2,965	14,842	38,435	108,692	821,144	(759,623)		263,133
LONG-TERM LIABILITIES									
Mortgages payable, less current portion	-	-	-	-	-	878,117	-		878,117
TOTAL LONG-TERM LIABILITIES	-	-	-	-	-	878,117	-		878,117
TOTAL LIABILITIES	36,678	2,965	14,842	38,435	108,692	1,699,261	(759,623)		1,141,250
NET ASSETS									
Without donor restrictions	761,382	121,127	244,899	724,784	148,202	2,256,768	-		4,257,162
With donor restrictions	68,883	-	-	55,000	-	55,794	-		179,677
TOTAL NET ASSETS	830,265	121,127	244,899	779,784	148,202	2,312,562	-		4,436,839
TOTAL LIABILITIES AND NET ASSETS	$ 866,943	$ 124,092	$ 259,741	$ 818,219	$ 256,894	$ 4,011,823	$ (759,623)		$ 5,578,089

(1) To eliminate intercompany advances in the amount of $759,623.

REFUGE FOR WOMEN, INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES BY LOCATION
YEAR ENDED DECEMBER 31, 2025

	KENTUCKY	LAS VEGAS	CHICAGO	N. TEXAS	TEXAS GULF COAST	CENTRAL	EMERGENCY HOUSING KENTUCKY	EMERGENCY HOUSING PITTSBURGH	ELIMINATIONS		TOTAL ALL LOCATIONS
WITHOUT DONOR RESTRICTIONS											
REVENUE AND OTHER SUPPORT											
Donations	$ 223,999	$ 351,869	$ 305,321	$ 487,422	$ 318,168	$ 753,315	$ 229,402	$ -	$ -		$ 2,669,496
Fundraising	161,870	41,149	195,359	506,333	294,601	121,834	103,500	-	-		1,424,646
Interest	-	-	-	-	-	10,672	-	-	-		10,672
Grants and foundations	236,940	185,609	260,566	174,800	166,889	66,000	41,100	-	-		1,131,904
Other	896,938	22,886	3,317	117,394	20,129	358,285	-	-	(1,278,466)	(2)	140,483
	1,519,747	601,513	764,563	1,285,949	799,787	1,310,106	374,002	-	(1,278,466)		5,377,201
Net assets released from restrictions	451,833	-	-	-	-	23,808	-	-	-		475,641
TOTAL REVENUE AND OTHER SUPPORT	1,971,580	601,513	764,563	1,285,949	799,787	1,333,914	374,002	-	(1,278,466)		5,852,842
OPERATING EXPENSES											
Client support	187,255	48,890	39,696	88,954	47,321	30,270	4,007	-	-		446,393
Depreciation	7,984	6,145	-	11,710	19,358	102,407	-	-	-		147,604
Fundraising	62,408	34,709	61,417	81,609	32,597	11,827	35,156	-	-		319,723
Occupancy and maintenance	42,066	158,072	41,105	54,282	25,529	715	16,269	-	(97,800)	(2)	240,238
Office	23,809	7,707	1,809	10,157	6,787	51,623	12,326	-	-		114,218
Other	65,102	50,789	50,022	91,118	59,471	37,287	884,745	-	(1,180,666)	(2)	57,868
Personnel	506,264	536,248	433,533	889,025	544,418	622,234	87,260	-	-		3,618,982
Professional fees	22,500	-	-	28,750	-	138,546	9,000	-	-		198,796
Property ownership	5,516	13,343	3,384	6,941	4,635	128,048	-	-	-		161,867
Staff training	25,686	582	1,323	2,625	2,387	10,915	5,139	-	-		48,657
Travel	1,019	4,388	395	3,961	3,531	35,337	1,081	-	-		49,712
TOTAL OPERATING EXPENSES	949,609	860,873	632,684	1,269,132	746,034	1,169,209	1,054,983	-	(1,278,466)		5,404,058
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,021,971	(259,360)	131,879	16,817	53,753	164,705	(680,981)	-	-		448,784
WITH DONOR RESTRICTIONS											
REVENUE AND OTHER SUPPORT											
Donations	68,884	-	-	55,000	-	-	-	-	-		123,884
Net assets released from restrictions	(451,833)	-	-	-	-	(23,808)	-	-	-		(475,641)
TOTAL REVENUE AND OTHER SUPPORT	(382,949)	-	-	55,000	-	(23,808)	-	-	-		(351,757)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(382,949)	-	-	55,000	-	(23,808)	-	-	-		(351,757)
CHANGE IN NET ASSETS - BEFORE DISCONTINUED OPERATIONS	639,022	(259,360)	131,879	71,817	53,753	140,897	(680,981)	-	-		97,027
DISCONTINUED OPERATIONS	-	-	-	-	-	(304,415)	-	37,878	-		(266,537)
TOTAL CHANGE IN NET ASSETS	639,022	(259,360)	131,879	71,817	53,753	(163,518)	(680,981)	37,878	-		(169,510)
TOTAL NET ASSETS, BEGINNING OF YEAR	191,243	380,487	113,020	707,967	94,449	2,476,080	680,981	(37,878)	-		4,606,349
TOTAL NET ASSETS, END OF YEAR	$ 830,265	$ 121,127	$ 244,899	$ 779,784	$ 148,202	$ 2,312,562	$ -	$ -	$ -		$ 4,436,839

(2) To eliminate intercompany transfers in the amount of $1,278,466.