

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND
AND PERRY COUNTIES**

FINANCIAL REPORT

JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Domestic Violence Services of
Cumberland and Perry Counties
Carlisle, Pennsylvania

Opinion

We have audited the financial statements of Domestic Violence Services of Cumberland and Perry Counties (the Organization), which comprise the statements of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we:

- Exercise professional judgement 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 the Organization'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 the Organization'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.

A handwritten signature in black ink that reads "Boyer & Fitter". The signature is fluid and cursive, with a large, stylized 'B' at the beginning and an ampersand in the middle.

Camp Hill, Pennsylvania
November 19, 2025

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

**STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024**

	2025	2024
ASSETS		
Current Assets		
Cash	\$ 813,327	\$ 700,924
Grants receivable	263,149	206,860
Prepaid expenses	22,890	26,478
Total current assets	1,099,366	934,262
Property and Equipment		
Land and land improvements	30,000	30,000
Building and improvements	645,689	600,582
Furniture and equipment	283,823	191,051
Automobiles	16,489	15,989
	976,001	837,622
Less accumulated depreciation	(564,668)	(532,752)
Property and equipment - net	411,333	304,870
Other Assets		
Certificates of deposit	479,759	426,198
Long-term annuity	94,018	93,088
Investment in Community Foundation	107,376	100,848
Total other assets	681,153	620,134
Total assets	\$ 2,191,852	\$ 1,859,266
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 5,655	\$ 2,327
Accrued payroll and payroll taxes	61,495	63,678
Total current liabilities	67,150	66,005
Net Assets		
Without donor restrictions	1,927,655	1,603,792
With donor restrictions	197,047	189,469
Total net assets	2,124,702	1,793,261
Total liabilities and net assets	\$ 2,191,852	\$ 1,859,266

See Notes to Financial Statements.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

**STATEMENTS OF ACTIVITIES
Years Ended June 30, 2025 and 2024**

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Gains			
Contributions			
General contributions - cash	\$ 480,268	\$ 30,000	\$ 510,268
Foundations	11,000	20,000	31,000
United Way	20,835	75,171	96,006
In-kind contributions	25,483	-	25,483
Pennsylvania Coalition Against Domestic Violence			
Title XX/Act 44	471,952	-	471,952
Act 222	8,785	-	8,785
TANF	19,980	-	19,980
ESG	-	-	-
FVPSA ARP Mobile	69,266	-	69,266
FVPSA ARP Supplemental	27,605	-	27,605
PHARE	4,617	-	4,617
Medical Advocacy	34,603	-	34,603
Pennsylvania Commission on Crime and Delinquency	199,347	-	199,347
Cumberland Cty Stop and Emergency			
Shelter Grants	46,125	-	46,125
ESG county grant	13,575	-	13,575
AMEND income	90,666	-	90,666
Fundraising events	103,136	-	103,136
Less direct donor benefit	(30,406)	-	(30,406)
Interest income	24,205	-	24,205
Investment income (loss), net	5,131	6,528	11,659
Net assets released from restrictions			
Satisfaction of program restrictions	50,000	(50,000)	-
Expiration of time restrictions	74,121	(74,121)	-
Total revenue and gains	1,750,294	7,578	1,757,872
Expenses			
Program direct expenses	1,224,634	-	1,224,634
Fundraising	17,111	-	17,111
Management and general	184,686	-	184,686
Total functional expenses	1,426,431	-	1,426,431
Changes in net assets	323,863	7,578	331,441
Net Assets			
Beginning	1,603,792	189,469	1,793,261
Ending	\$ 1,927,655	\$ 197,047	\$ 2,124,702

See Notes to Financial Statements.

2024			
Without Donor Restrictions	With Donor Restrictions	Total	
\$ 314,447	\$ 42,500	\$ 356,947	
24,000	7,000	31,000	
20,928	73,071	93,999	
34,645	-	34,645	
440,020	-	440,020	
8,785	-	8,785	
18,980	-	18,980	
42,029	-	42,029	
71,273	-	71,273	
45,342	-	45,342	
25,283	-	25,283	
32,368	-	32,368	
234,800	-	234,800	
40,762	-	40,762	
20,000	-	20,000	
63,970	-	63,970	
94,359	-	94,359	
(24,982)	-	(24,982)	
10,871	-	10,871	
4,704	7,724	12,428	
49,500	(49,500)	-	
72,819	(72,819)	-	
<u>1,644,903</u>	<u>7,976</u>	<u>1,652,879</u>	
1,320,862	-	1,320,862	
19,575	-	19,575	
<u>168,796</u>	<u>-</u>	<u>168,796</u>	
<u>1,509,233</u>	<u>-</u>	<u>1,509,233</u>	
135,670	7,976	143,646	
<u>1,468,122</u>	<u>181,493</u>	<u>1,649,615</u>	
<u>\$ 1,603,792</u>	<u>\$ 189,469</u>	<u>\$ 1,793,261</u>	

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2025

	Program Services					Management and General			Total
	Counseling and Advocacy	Emergency Shelter	Community Education Prevention	AMEND Program	Fundraising	Management	General		
Salaries and wages	\$ 240,984	\$ 358,500	\$ 76,672	\$ -	\$ 13,634	\$ 88,873	\$	778,663	
Payroll taxes	19,752	29,384	6,284	-	1,118	7,284		63,822	
Benefits	32,102	47,755	10,213	-	1,816	11,838		103,724	
Equipment maintenance	17,422	17,421	-	-	-	3,871		38,714	
Rent	4,043	-	-	-	-	-		4,043	
Insurance	-	13,305	2,661	-	-	1,774		17,740	
Building maintenance and repairs	-	13,512	-	-	-	1,501		15,013	
Telephone	5,927	4,850	-	1,527	272	2,949		15,525	
Utilities	2,018	11,490	-	-	-	2,018		15,526	
Office supplies	1,665	1,495	1,196	25	105	1,495		5,981	
Postage	459	292	83	-	30	862		1,726	
Printing	2,291	-	5,347	-	136	-		7,774	
Client needs	19,436	19,436	-	-	-	-		38,871	
Conferences	4,038	1,570	4,038	-	-	1,570		11,216	
Food	-	16,814	-	-	-	-		16,814	
Consultants	79,488	-	-	47,050	-	-		126,538	
Donated clothing and personal items	-	14,641	-	-	-	-		14,641	
Travel	1,713	630	2,167	1,843	-	1,490		7,843	
Professional fees	-	-	-	-	-	16,000		16,000	
PCADV administrative cost	-	-	-	-	-	10,747		10,747	
Advertising	-	-	-	-	-	965		965	
Membership dues	1,576	1,576	-	-	-	14,355		17,506	
Emergency shelter	-	1,821	-	-	-	-		1,821	
Public education	-	-	4,436	-	-	-		4,436	
Depreciation	-	23,937	-	-	-	7,979		31,916	
Bank fees	-	-	-	-	-	2,737		2,737	
Payroll service fees	-	-	-	-	-	6,378		6,378	
Relocation	-	36,170	-	-	-	-		36,170	
Miscellaneous program expense	5,161	6,111	2,309	-	-	-		13,581	
Total functional expenses	\$ 438,074	\$ 620,709	\$ 115,406	\$ 50,445	\$ 17,111	\$ 184,686	\$	1,426,431	

See Notes to Financial Statements.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2024

	Program Services					Management			Total
	Counseling and Advocacy	Emergency Shelter	Community Education Prevention	AMEND Program	Fundraising	and General			
Salaries and wages	\$ 248,836	\$ 364,833	\$ 115,474	\$ -	\$ 15,675	\$ 82,123	\$ 826,941		
Payroll taxes	19,918	29,202	9,243	-	1,255	6,573	66,191		
Benefits	34,321	50,320	15,927	-	2,162	11,327	114,057		
Equipment maintenance	12,691	12,691	-	-	-	2,820	28,202		
Rent	3,732	-	-	-	-	-	3,732		
Insurance	-	10,856	2,171	-	-	1,447	14,474		
Building maintenance and repairs	-	23,586	-	-	-	2,621	26,207		
Telephone	5,836	4,775	-	842	274	2,750	14,477		
Utilities	1,500	8,536	-	-	-	1,500	11,536		
Office supplies	1,065	987	789	43	75	987	3,946		
Postage	481	306	87	-	34	908	1,816		
Printing	1,559	-	3,636	-	100	-	5,295		
Client needs	28,355	28,355	-	-	-	-	56,710		
Conferences	2,692	1,047	2,692	-	-	1,047	7,478		
Food	-	19,415	-	-	-	-	19,415		
Consultants	81,050	-	-	47,237	-	-	128,287		
Donated clothing and personal items	-	21,569	-	-	-	-	21,569		
Travel	2,355	867	2,979	2,535	-	2,049	10,785		
Professional fees	-	-	-	-	-	14,500	14,500		
PCADV administrative cost	-	-	-	-	-	9,788	9,788		
Advertising	-	-	-	-	-	1,289	1,289		
Membership dues	1,096	1,096	-	-	-	9,987	12,179		
Emergency shelter	-	382	-	-	-	-	382		
Public education	-	-	2,618	-	-	-	2,618		
Depreciation	-	21,719	-	-	-	7,240	28,959		
Bank fees	-	-	-	-	-	3,155	3,155		
Payroll service fees	-	-	-	-	-	6,685	6,685		
Relocation	-	61,777	-	-	-	-	61,777		
Miscellaneous program expense	2,578	3,052	1,153	-	-	-	6,783		
Total functional expenses	\$ 448,065	\$ 665,371	\$ 156,769	\$ 50,657	\$ 19,575	\$ 168,796	\$ 1,509,233		

See Notes to the Financial Statements.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Changes in net assets	\$ 331,441	\$ 143,646
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	31,916	28,959
Net realized and unrealized (gains) losses - endowment	(10,434)	(11,354)
Change in cash surrender value - annuity	(930)	(923)
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(56,289)	52,598
Prepaid expenses	3,588	(2,801)
(Decrease) increase in:		
Accounts payable	3,328	(5,438)
Accrued expenses	(2,183)	12,351
Net cash provided by operating activities	300,437	217,038
Cash Flows From Investing Activities		
Purchases of capital assets	(138,379)	-
Purchase of investments in Community Foundation	(2,242)	(1,928)
Distribution and fees from Community Foundation	6,148	5,558
Purchase of certificates of deposit	(53,561)	(266,000)
Net cash used in investing activities	(188,034)	(262,370)
Net increase (decrease) in cash and cash equivalents	112,403	(45,332)
Cash:		
Beginning	700,924	746,256
Ending	\$ 813,327	\$ 700,924

See Notes to Financial Statements.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activity and Significant Accounting Policies

Nature of Activity: Domestic Violence Services of Cumberland and Perry Counties (the Organization) is a non-profit agency that serves victims of domestic violence and their dependent children through one or more services such as hot-line, emergency shelter, individual and group counseling, legal advocacy, systems advocacy, information and referral and accompaniment to court-related proceedings. All services are free and confidential. In addition, education programs, trainings and school-based programs are presented to members of the community in the service delivery area and a fee based educational program for men who are abusive.

Income Taxes: The Internal Revenue Service has determined that the Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Management has assessed the Organization's exposure to income taxes at the entity level as a result of uncertain tax positions taken in current and previously filed tax returns. Examples of tax positions taken at the entity level include the continuing validity of its exempt organization status, potential filing requirement for unrelated business income and other tax positions that could result in income tax liabilities to the Organization upon examination by taxing authorities. Presently, management believes that it is more likely than not its tax position will be sustained upon examination, including any appeals and litigation, such that the Organization has no exposure to income tax liabilities from uncertain tax positions.

Basis of Accounting: The financial statements have been prepared on the accrual basis.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates based on management's knowledge and experience. Due to the estimates' prospective nature, actual results could differ from those estimates.

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Entities*. Under this topic, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions which may be temporary in nature such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; accordingly, the donor stipulates those resources be maintained in perpetuity.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activity and Significant Accounting Policies (Continued)

Grant Receivables: Grant receivables are carried at original invoice amount less an estimate made for potential credit losses. Management determines the allowance for credit losses by evaluating individual accounts and considering the customer's financial condition, credit history, and current and expected future economic conditions. Based on the Organization's collection history and management's expectation of consistency of that trend in the future, an allowance for credit losses has not been provided at June 30, 2025 and 2024, respectively.

A grant receivable is considered to be past due based on how payments are received compared to the grantor's payment history. Interest is not generally charged on grant receivables.

Cash Equivalents: For the purposes of the Statements of Cash Flows, the Organization considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments: Investments in equity securities with readily determinable fair values are measured at fair market value in the Statements of Financial Position. Investment income or loss, including realized and unrealized gains and losses, is included in the change in unrestricted net assets unless the income or loss is restricted by donor or law.

Property, Equipment and Depreciation: Property, plant and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the individual assets.

Leases: The Company leases buildings, machinery and equipment under long-term lease agreements. At the lease commencement date, the Company classifies its leases as either finance or operating based on the lease agreement terms. A lease is classified as a finance lease if certain criteria are met. If none of the lease classification criteria are met, the lease is classified as an operating lease. Finance leases are accounted for on the Company's balance sheet as a financial liability with a corresponding right-of-use asset (ROU). Operating lease obligations, including a corresponding right-of-use asset, are not recognized on the Company's balance sheet. Improvements to leased property are capitalized as assets and are amortized over the shorter of (1) the economic useful life of the asset or (2) the lease term including reasonably assured renewal periods. Leasehold improvements to property under related party arrangements are amortized over the economic useful life of the leasehold improvement.

For finance leases, the initial measurement of the lease liability is comprised of the discounted lease payments over the lease term, using the discount rate at the lease commencement date. The initial measurement of the ROU asset is comprised of the lease liability adjusted for prepayments, initial direct costs incurred by the lessee, and any lease incentives received from the lessor before commencement of the lease. Subsequently, the lease liability is amortized over the lease term using the discount rate used to initially measure the lease liability. The ROU asset is amortized on the straight-line basis over the lease term. Lease payments for operating leases are expensed periodically over the term of the lease. Executory costs, such as insurance, taxes, maintenance, and repairs, are charged to expense as incurred.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activity and Significant Accounting Policies (Continued)

Leases (Continued): The Company's accounting for finance leases does not differ significantly from accounting standards generally accepted in the United States of America (U.S. GAAP). However, the Company's accounting for operating leases is not consistent with U.S. GAAP. US GAAP requires operating lease obligations and corresponding ROU assets to be recognized on the Company's balance sheet. The Company's management has not determined the financial statement effects of this departure.

Donated Materials and Services: The Organization records the value of donated goods or services when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values on the dates of receipt. Donated services that create or enhance nonfinancial assets or require specialized skills, that are provided by individuals possessing those skills, and that would typically be purchased if not provided by donation, are recorded as contributions in the accompanying statements. The basis for recording the value of donated services is the difference between any amount paid to an individual and the comparable compensation which would be paid to that individual if he or she performed the services at arms-length.

Concentration of Credit Risk: Financial instruments that potentially subject the Organization to concentrations of credit risk include cash and cash equivalents. At times, cash and cash equivalent balances in the Organization's accounts may exceed FDIC insurance limits. Management believes the financial risks associated with these financial instruments are minimal. As of June 30, 2025 and 2024, the Organization had uninsured cash balances of \$693,232 and \$505,954, respectively.

Revenue Recognition: The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Our federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. As of June 30, 2025 and 2024, the Organization had no amounts recorded as refundable advances in the Statements of Financial Position. All cost-reimbursable grants were recognized as qualifying expenditures had been incurred.

Functional Expense Allocation: Expenses not directly related to a function are allocated by management to all functions on reasonable bases. Expenses directly related to a function are charged to the function.

Advertising Costs: The Organization expenses all advertising costs as incurred. As of June 30, 2025 and 2024, the Organization had advertising costs of \$965 and \$1,289, respectively.

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activity and Significant Accounting Policies (Continued)

Subsequent Events: In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 19, 2025, the date the financial statements were available to be issued.

Note 2. Liquidity and Availability

Financial assets available for general expenditure; that is, without donor or other restrictions limiting their use; within one year of June 30, 2025 and 2024, comprise the following:

	2025	2024
Financial assets at year-end		
Cash and cash equivalents	\$ 813,327	\$ 700,924
Grants receivable	263,149	206,860
Certificates of deposit	479,759	426,198
Investments	107,376	100,848
Annuity	94,018	93,088
Total financial assets	<u>1,757,629</u>	<u>1,527,918</u>
Less amounts not available to be used within on year:		
Net assets with donor restrictions - endowment fund	107,376	100,848
Net assets with donor restrictions - expenditure for specified purpose	30,000	30,000
Net assets with donor restrictions - subject to passage of time	59,671	58,621
Less amounts with purpose and time restrictions to be met within one year	<u>(89,671)</u>	<u>(88,621)</u>
	<u>107,376</u>	<u>100,848</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 1,650,253</u></u>	<u><u>\$ 1,427,070</u></u>

Domestic Violence Services of Cumberland and Perry Counties is funded in part by contributions from donors that contain restrictions. Those restrictions require that resources be used for certain purposes or in future periods. Therefore, the Organization must maintain adequate resources to meet those responsibilities to its donors, and as a result, certain financial assets may not be available for general expenditure within one year. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due. The Organization invests its cash in excess of its daily needs in interest-bearing accounts. The Organization can also draw upon a \$150,000 line-of-credit (as discussed in Note 6).

**DOMESTIC VIOLENCE SERVICES
OF CUMBERLAND AND PERRY COUNTIES**

NOTES TO FINANCIAL STATEMENTS

Note 3. Investment in Community Foundation

The Organization established the Domestic Violence Services of Cumberland and Perry Counties - Agency Endowment Fund of The Foundation for Enhancing Communities. The Endowment Fund is a component fund of The Foundation for Enhancing Communities, which is a community foundation. The Board of Directors of The Foundation for Enhancing Communities shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served. The investment portfolio is invested in 70% equities and 30% fixed income funds. The annual distribution rate is 5%, less fund investment and administration fees.

Summary of transactions is as follows:

	2025	2024
Fair Market Value at July 1	\$ 100,848	\$ 93,124
Investment Income		
Interest/dividends	2,242	1,928
Realized gains (losses)	(817)	477
Unrealized gains (losses)	<u>11,251</u>	<u>10,877</u>
	12,676	13,282
Distributions for DVS operations	(4,201)	(3,781)
Management fees	<u>(1,947)</u>	<u>(1,777)</u>
Fair Market Value at June 30	<u><u>\$ 107,376</u></u>	<u><u>\$ 100,848</u></u>

Note 4. Long-Term Annuity

The Organization owns an annuity with a guaranteed minimum interest rate of 1%. The annuity is subject to withdrawal charges beginning with 9% the first year and decreasing by 1% for the first three years. The annuity has a 3-year surrender period. At the end of the 3rd year, the Organization can withdraw the full value of the annuity penalty free. If the Organization chooses not to withdraw the annuity after the surrender period, they can continue to hold the investment for maximum of 56 years from the start of the annuity contract. As of June 30, 2025 and 2024, the cash surrender value of the annuity is \$94,018 and \$93,088, respectively, and the fair market value of the annuity is \$115,436 and \$109,583, respectively.

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NOTES TO FINANCIAL STATEMENTS

Note 5. Fair Value Measurements

FASB's authoritative guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none">Quoted prices for similar assets or liabilities in active marketsQuoted prices for identical or similar assets or liabilities in inactive marketsInputs other than quoted prices that are observable for the asset or liabilityInputs that are derived principally from or corroborated by observable market data by correlation or other means
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The assets that are recorded at fair value on a recurring basis are investments in the Community Foundation. The Organization has no financial liabilities or non-financial items that are recorded at fair value on a recurring basis. The following are descriptions of the valuation methodologies used for assets measured at fair value.

Investment in Community Foundation: The fair value of our beneficial interest in assets held by the Community Foundation is based on the fair value of fund investments as reported by the Community Foundation. These are considered to be Level 3 measurements.

Investment in Long-Term Annuity: The fair value of our long-term annuity is based on the cash surrender value of the respective annuity as represented by the insurance company. These are considered to be Level 2 measurements.

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NOTES TO FINANCIAL STATEMENTS

Note 5. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Cash Surrender Value of Annuity	\$ -	\$ 94,018	\$ -	\$ 94,018
Investment in Community Foundation	-	-	107,376	107,376
	<u>\$ -</u>	<u>\$ 94,018</u>	<u>\$ 107,376</u>	<u>\$ 201,394</u>

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2024:

	Level 1	Level 2	Level 3	Total
Cash Surrender Value of Annuity	\$ -	\$ 93,088	\$ -	\$ 93,088
Investment in Community Foundation	-	-	100,848	100,848
	<u>\$ -</u>	<u>\$ 93,088</u>	<u>\$ 100,848</u>	<u>\$ 193,936</u>

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the years ended June 30, 2025 and 2024:

	2025	2024
Balance, beginning of year	\$ 100,848	\$ 93,124
Investment income	12,676	13,282
Distributions and fees	(6,148)	(5,558)
Balance, end of year	<u>\$ 107,376</u>	<u>\$ 100,848</u>

Investment income for the years ended June 30, 2025 and 2024, is summarized as follows:

	2025	2024
Unrealized gains (losses) on investments	\$ 11,251	\$ 10,877
Realized gain (loss) on investments	(817)	477
Change in annuity value	930	923
Interest/dividend income	2,242	1,928
Investments fees	(1,947)	(1,777)
Investment income, net	<u>\$ 11,659</u>	<u>\$ 12,428</u>

Note 6. Note Payable

A \$150,000 line-of-credit agreement has been established with Orrstown Bank which is secured by a first lien position on the property located in Carlisle, Pennsylvania. The demand note requires monthly interest payments at a variable rate equal to the Bank's prime rate plus 1%. There was no balance outstanding at June 30, 2025 and 2024.

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NOTES TO FINANCIAL STATEMENTS

Note 7. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2025 and 2024, are donor restricted contributions available for the following purposes:

	2025	2024
Subject to expenditure for specified purpose:		
Emergency Shelter	\$ 30,000	\$ 30,000
Subject to the passage of time:		
Operations	59,671	58,621
Not subject to appropriation of expenditures:		
Endowment	107,376	100,848
Total net assets with donor restrictions	<u>\$ 197,047</u>	<u>\$ 189,469</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by the donor as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Satisfaction of time restrictions:		
Operations	\$ 74,121	\$ 72,819
Satisfaction of purpose restrictions:		
Emergency Shelter	50,000	49,500
Total net assets released from restriction	<u>\$ 124,121</u>	<u>\$ 122,319</u>

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Note 8. In-Kind Contributions

Donated materials and other items which are received by the Organization and the subsequent distribution of these items, are reflected on the Statements of Activities. The Organization records the value of donated goods or services when there is an objective basis available to measure their value. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated fair market values on the dates of receipt. Donated services are recorded as contributions in the accompanying statements. The basis for recording the value of donated services is the difference between any amount paid to an individual and the comparable compensation which would be paid to that individual if he or she performed the services at arms-length. All donated materials and services were used in program services. No donor-imposed restrictions were identified for donations received during the years ended June 30, 2025 and 2024.

For the years ended June 30, 2025 and 2024, in-kind contributions were as follows:

	2025	2024
Contributions		
Clothing and personal use items	\$ 14,056	\$ 18,929
Donated food	10,842	13,076
Goods and services	200	1,380
Supplies	150	1,015
Furniture and equipment	235	245
	<hr/> <u>\$ 25,483</u>	<hr/> <u>\$ 34,645</u>
Expenses		
Program directed expenses	<hr/> <u>\$ 25,483</u>	<hr/> <u>\$ 34,645</u>

Note 9. Operations

The continuation of an entity's operations is usually assumed in financial accounting in the absence of evidence to the contrary. However, an operation which depends on support from agencies of the government is always subject to legislative action which could significantly affect the amount of support it receives.

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NOTES TO FINANCIAL STATEMENTS

Note 10. Supplemental Disclosures - PCADV

Match Requirements: The Organization met the requirements by PCADV to raise monies within the Community and spend amounts in excess of 20% of the contracts.

Domestic Violence Budget: For the years ended June 30, 2025 and 2024, total domestic violence expenditures for the Organization were \$1,358,875 and \$1,439,001, respectively.

Interest Income: All interest earnings were spent on domestic violence related expenditures.

Cost Allocation Plan Compliance: The Organization's cost allocation plan complied with the Uniform Guidance, Subpart E of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.