

Safe & Sound

Financial Statements

Year Ended December 31, 2024

(With Summarized Information for the Year Ended
December 31, 2023)

The report accompanying these financial statements was issued by
BDO USA, P.C., a Virginia professional corporation, and the U.S. member of
BDO International Limited, a UK company limited by guarantee.



Safe & Sound

Financial Statements

Year Ended December 31, 2024

(With Summarized Information for the Year Ended December 31, 2023)

Safe & Sound

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Independent Auditor's Report

The Board of Directors
Safe & Sound
San Francisco, California

Opinion

We have audited the financial statements of Safe & Sound, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 Safe & Sound as of December 31, 2024, 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 (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 Safe & Sound and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Safe & Sound's ability to continue as a going concern within one year after the date that the financial statements 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 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 Safe & Sound'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 Safe & Sound'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.



Report on Summarized Comparative Information

We have previously audited Safe & Sound's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 18, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, P.C.

June 26, 2025

Financial Statements

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Statement of Financial Position (with summarized comparative totals for 2023)

<i>December 31,</i>	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,625,227	\$ 3,612,938
Investments	7,295,118	9,182,352
Government grants receivable	1,158,524	1,736,636
Contributions and other grants receivable, current portion	1,309,740	838,200
Prepaid expenses	468,769	264,638
Other current assets	59,433	85,932
Total Current Assets	13,916,811	15,720,696
Contributions and Other Grants Receivable, Net	-	137,520
Property and Equipment, Net	5,427,600	5,631,253
Total Assets	\$ 19,344,411	\$ 21,489,469
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 407,118	\$ 465,155
Accrued payroll related liabilities	739,455	654,074
Grants payable	-	434,000
Refundable advances	139,650	-
Other liabilities	-	4,500
Total Current Liabilities	1,286,223	1,557,729
Net Assets		
Without donor restrictions	15,605,308	17,398,522
With donor restrictions	2,452,880	2,533,218
Total Net Assets	18,058,188	19,931,740
Total Liabilities and Net Assets	\$ 19,344,411	\$ 21,489,469

See accompanying notes to financial statements.

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Statement of Activities and Changes in Net Assets (with summarized comparative totals for 2023)

Year ended December 31,

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Government grants	\$ 4,976,091	\$ -	\$ 4,976,091	\$ 5,327,299
Contributions and other grants	2,031,363	2,594,779	4,626,142	3,785,835
Fundraising events, net of direct donor benefits of \$257,998 and \$207,291, respectively	732,763	-	732,763	705,727
Investment return	438,008	-	438,008	360,776
Rental income	187,379	-	187,379	260,405
In-kind donations	258,071	-	258,071	252,790
Program service fees	85,423	-	85,423	96,187
Other income (loss)	28,146	-	28,146	(5,869)
Net assets released from restrictions	2,675,117	(2,675,117)	-	-
Total Support and Revenue	11,412,361	(80,338)	11,332,023	10,783,150
Expenses				
Program services	10,631,789	-	10,631,789	11,053,581
Management and general	1,314,331	-	1,314,331	1,256,368
Fundraising	1,259,455	-	1,259,455	1,088,411
Total Expenses	13,205,575	-	13,205,575	13,398,360
Change in Net Assets	(1,793,214)	(80,338)	(1,873,552)	(2,615,210)
Net Assets, beginning of year	17,398,522	2,533,218	19,931,740	22,546,950
Net Assets, end of year	\$ 15,605,308	\$ 2,452,880	\$ 18,058,188	\$ 19,931,740

See accompanying notes to financial statements.

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Statement of Functional Expenses (with summarized comparative totals for 2023)

Year ended December 31,

	Program Services				Supporting Services		Total	
	Children and Family Services	Community Education and Partnerships	Strategic Partnerships and Policy	Total Program Services	Management and General	Fundraising	2024	2023
Salaries and stipends	\$ 2,408,623	\$ 1,039,853	\$ 1,145,032	\$ 4,593,508	\$ 818,413	\$ 733,274	\$ 6,145,195	\$ 6,043,513
Consultants	434,379	137,466	1,029,394	1,601,239	94,213	230,595	1,926,047	1,142,391
Subcontractors	8,279	929,695	701,978	1,639,952	-	-	1,639,952	2,866,610
Payroll taxes, benefits, and other employee expenses	552,533	235,071	221,592	1,009,196	167,285	128,749	1,305,230	1,212,551
Utilities and maintenance	56,754	26,651	262,368	345,773	18,971	17,582	382,326	345,000
Program supplies	104,055	115,344	77,398	296,797	568	4,705	302,070	306,106
Audit, tax, and legal	75,141	31,412	33,653	140,206	109,909	24,783	274,898	330,361
Space rental	-	2,617	3,629	6,246	-	216,028	222,274	165,437
Depreciation	64,868	53,646	57,740	176,254	22,586	19,688	218,528	231,367
Client support	205,766	5,018	-	210,784	42	39	210,865	207,157
Dues and subscriptions	54,270	28,778	30,770	113,818	14,778	55,222	183,818	149,304
Insurance	93,332	6,270	26,382	125,984	7,363	6,486	139,833	109,717
Equipment purchase, rental, and repair	45,950	22,126	24,966	93,042	15,827	14,502	123,371	44,958
Telephone and communications	41,667	20,378	23,385	85,430	14,613	12,798	112,841	137,105
Travel, conferences, and meetings	18,157	20,966	26,110	65,233	1,354	2,781	69,368	69,519
Office supplies, postage, printing, and copying	14,635	4,485	9,306	28,426	5,589	32,740	66,755	70,728
Bay Park Owners Association dues	-	9,700	55,912	65,612	-	-	65,612	60,956
Accounting and payroll	15,180	6,765	7,349	29,294	5,403	4,612	39,309	35,872
Other	542	1,335	3,118	4,995	17,417	12,869	35,281	76,999
Total Expenses	4,194,131	2,697,576	3,740,082	10,631,789	1,314,331	1,517,453	13,463,573	13,605,651
Less: direct donor benefits of fundraising events	-	-	-	-	-	257,998	257,998	207,291
Total Expenses as Reported on the Statement of Activities and Changes in Net Assets	\$ 4,194,131	\$ 2,697,576	\$ 3,740,082	\$ 10,631,789	\$ 1,314,331	\$ 1,259,455	\$ 13,205,575	\$ 13,398,360

See accompanying notes to financial statements.

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Statement of Cash Flows (with summarized comparative totals for 2023)

<i>Year ended December 31,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ (1,873,552)	\$ (2,615,210)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	218,528	231,367
Bad debt expense (recovery)	(5,363)	58,030
Loss on disposal of property and equipment	-	14,895
Realized and unrealized gains on investments	(226,712)	(26,166)
Changes in assets and liabilities:		
Government grants receivable	578,112	621,359
Contributions and other grants receivable	(328,657)	1,467,800
Prepaid expenses	(204,131)	(80,893)
Other current assets	26,499	(63,451)
Accounts payable and accrued liabilities	(58,037)	(180,262)
Accrued payroll related liabilities	85,381	117,333
Grants payable	(434,000)	434,000
Refundable advances	139,650	(48,328)
Other liabilities	(4,500)	-
Net Cash Used in Operating Activities	(2,086,782)	(69,526)
Cash Flows from Investing Activities		
Purchases of property and equipment	(14,875)	(24,710)
Sales of investments	24,608,303	1,006,882
Purchases of investments and dividends reinvested	(22,494,357)	(8,302,232)
Net Cash Provided by (Used in) Investing Activities	2,099,071	(7,320,060)
Net Change in Cash and Cash Equivalents	12,289	(7,389,586)
Cash and Cash Equivalents, beginning of year	3,612,938	11,002,524
Cash and Cash Equivalents, end of year	\$ 3,625,227	\$ 3,612,938

See accompanying notes to financial statements.

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Notes to Financial Statements

1. Organization

Nature of Activities

Safe & Sound is a nonprofit organization established in 1973 whose mission is to prevent and reduce the impact of childhood abuse, neglect, and trauma. Exempt from income taxes under Internal Revenue Code (IRC) Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code, Safe & Sound is governed by a 23-member Board of Directors. Safe & Sound supports children and their families in vulnerable situations, educates children and adults in the community about child safety, collaborates to ensure that the systems and social safety net protect children and effectively respond to instances of abuse, advocates for children and their safety, and works to build a movement of people who do, too. Detailed information is available at safeandsound.org.

Safe & Sound's programs include:

Strategic Partnerships and Policy

Safe & Sound's Strategic Partnerships & Policy team enhances services for children and caregivers by building and strengthening partnerships across the city. This includes supporting policies and advocacy efforts on critical issues to create systemic change that provides families with the resources they need before crises occur, improving outcomes for children, families, and communities on a broad scale. The team leads the San Francisco Family Services Alliance (FSA), uniting 40+ Family Research Councils (FRC) and child-serving family support organizations to collectively support over 40,000 children and caregivers. As a backbone organization, Safe & Sound plays a central role in initiatives like the Family First Prevention Services Act (FFPSA), collaborating with FRCs and community-based organizations to provide essential support for families and reduce involvement with the child welfare system. Safe & Sound is also the backbone agency of the Children's Advocacy Center of San Francisco (CAC), which provides trauma-informed services to children and families affected by abuse. Finally, Safe & Sound's Center for Youth Wellness (CYW), resulting from a 2021 merger, aims to revolutionize society's response to children affected by Adverse Childhood Experiences (ACEs) and toxic stress. The CYW Team acts as Safe & Sound's training and technical assistance arm, and shares learnings and best practices successfully implemented through their training model primary care. They train and support medical professionals, nonprofits, and community leaders in ACEs screening and effective interventions, collaborating with healthcare networks and driving awareness of the long-term effects of toxic stress.

Community Education and Partnerships

Safe & Sound's Community Education & Partnerships team, in collaboration with the San Francisco Unified School District, focuses on Child Safety Awareness training for both students and child-serving adults. The program empowers children to advocate for their safety and emphasizes to adults the understanding of responsibilities as mandated reporters and fostering action when child abuse is suspected, as well as advocating for necessary changes to the child welfare field. Additionally, Safe & Sound leads essential services for families with young children exposed to violence through the SafeStart Family Resource Collaborative. The team provides tailored trainings through the FSA to strengthen the capacity of community-based organizations and frontline evidence-informed providers to support families with compassion, cultural humility, and practices. The Communities of Care (CoC) project extends this work, aiming to prevent child abuse and maintain family strength through a collaborative, evidence-based framework. The CoC model

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incorporates Protective Factor training and assessments, fostering a data-informed approach to enhance support for families through community partnerships. The team acts as the bridge between policy work and direct service delivery, aiming to not only support the community but to build the capacity of family serving organizations across the city.

Children and Family Services

Safe & Sound's Children & Family Services offers comprehensive trauma-informed interventions and direct, wrap-around services to improve the well-being of children, families, and communities affected by child abuse, neglect, trauma, and ACEs. At Safe & Sound's family support centers and through partners, the program employs an intergenerational approach, empowering parents and children through early, focused interventions to disrupt the cycle of abuse. Services include a therapeutic children's playroom, parent and child education, a parental stress TALK Line, concrete needs support, and integrated family services aimed at assessing Protective Factors and delivering tailored, evidence-based interventions to families in at-risk situations, assessing and bolstering Protective Factors—parental resilience, knowledge of parenting, children's social-emotional learning, social connections, and concrete supports—each correlated with a reduced risk of child maltreatment.

2. Summary of Significant Accounting Policies

Method of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

Net assets, revenues, expenses, gains, and losses are classified based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets of Safe & Sound and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may, or will, be met either by actions of Safe & Sound and/or the passage of time. Some net assets restrictions are required by donors to be held in perpetuity (endowment).

Expirations of restrictions on net assets as the result of the passage of time and/or fulfilling donor-imposed stipulations are reported as net assets released from restrictions between the applicable classes of net assets in the statement of activities and changes in net assets.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Safe & Sound's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

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Reclassifications

Certain items from the prior-year summarized comparative information have been reclassified to confirm to the current-year presentation. These reclassifications had no impact on net assets or changes to net assets previously reported.

Use of Estimates

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

Cash and Cash Equivalents

Cash consists of cash on deposit with banks. Cash equivalents consist of highly liquid investments with maturities of three months or less at date of acquisition, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Financial instruments that potentially subject Safe & Sound to concentrations of credit risk consist of cash deposits with a commercial bank and a brokerage firm. Safe & Sound maintains its cash and cash equivalents in various accounts between three commercial banks. These deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$250,000. As of December 31, 2024 and 2023, Safe & Sound held cash in excess of insured amounts.

Investments

Safe & Sound carries investments in money market funds, fixed income funds, and bond funds. As of December 31, 2024, Safe & Sound held \$840,912 of bank deposits, \$6,448,057 of fixed income funds, and \$6,149 of equities in the investment portfolio. As of December 31, 2023, Safe & Sound held \$8,270,268 of money market funds, \$458,492 of fixed income funds, and \$453,592 of bond funds. Money market funds, fixed income funds, bond funds, and equities have readily determinable fair values and are considered Level 1 under the fair value hierarchy. The fair value of investments in funds and securities is based on quoted market prices and is valued at the closing price on the last business day of the year. Realized and unrealized gains and losses, interest, and dividends are included in the statement of activities and changes in net assets as investment return.

Donated investments are initially recorded at fair value on, or near, the date of the gift.

Government Grants Receivable

Government grants receivable include amounts billed and unbilled under various governmental contracts for program services performed during the year. Management periodically reviews the collectability of government grants receivable and provides a provision at the time it is determined that they are uncollectable. Management determined that no allowance was considered necessary as of both December 31, 2024 and 2023.

Contributions and Other Grants Receivable, Net

Contributions and other grants receivable consist of unconditional promises to give by donors that have not yet been received by Safe & Sound. Conditional promises to give are recognized when the

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conditions are substantially met. Safe & Sound has no conditional promises to give outstanding as of December 31, 2024. Contributions and other grants receivable are measured at fair value upon receipt. If a pledge or grant is not expected to be collected within one year, it is discounted to its estimated fair value using a present-value technique. The fair value of a pledge that is collectable within one year is recognized at its net realizable value. Management periodically reviews the collectability of pledges and grants receivable and provides a provision at the time it is determined that they are uncollectable. Management determined that an allowance of \$1,987 and \$20,300 was necessary as of December 31, 2024 and 2023, respectively.

Revenue Recognition and Accounting for Restricted Support

Safe & Sound is awarded grants from federal, state, county, and city agencies. Grants are typically awarded for a multi-year period, with the amount awarded negotiated in advance. Those grants funded typically renew annually. Grant revenue is most appropriately classified as conditional contributions, and therefore, revenue is recognized as conditions are met, which is typically as allowable costs are incurred.

Safe & Sound had \$10,225,978 in conditional grants outstanding as of December 31, 2024, including \$139,650 recorded as refundable advances where cash has been received. These grants are expected to be recognized through the year ending December 31, 2028, as conditions are met.

Contributions and other grants received are recorded when an unconditional promise to give is made and is recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions.

Safe & Sound reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. 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 statement of activities as net assets released from restriction.

Safe & Sound recognizes program revenues when the performance obligation has been satisfied (typically as program activities occur). The transaction price is determined based on standard charges for the various goods and services to be provided. Rental income is recognized in the month in which occupancy is provided. Rental income is recorded on a straight-line basis over the lease terms. Amounts collected in advance are deferred and recognized as earned.

Funding and Revenue Concentration

Safe & Sound received approximately 28% and 33% of support and revenue from two funding sources during the years ended December 31, 2024 and 2023, respectively.

Contributed Goods and Services

Safe & Sound at times receives significant in-kind contributions of time and pro-bono services from members of the community and volunteers related to program operations, special events, and fund-raising campaigns. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by Safe & Sound. Safe & Sound recognizes in-kind contribution

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revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

Donated and pro-bono services are valued at the standard hourly rates for similar services in the local market. Donated goods are valued at the wholesale prices that would be paid for similar products.

Property and Equipment, Net

Property and equipment are reported at cost if purchased, or at fair value at the date of gift if donated. Individual items with a value greater than \$5,000 and that have a useful life of greater than one year are capitalized. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in operations. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Asset Category	Years
Building and building improvements	15-30
Furnishings and equipment	3-5

Long-Lived Assets

Long-lived assets, such as land, building, and other property, are reviewed at least annually for impairment or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset be tested for possible impairment, Safe & Sound first compares undiscounted cash flows expected to be generated by an asset to the carrying value of the asset. If the carrying value of the long-lived asset is not recoverable on an undiscounted cash flow basis, an impairment loss is recognized to the extent that the carrying value exceeds its fair value. Safe & Sound determines fair value of long-lived assets held and used by reference to independent appraisals, quoted market prices (e.g., an offer to purchase) and other factors. There were no impairment charges recorded in the periods presented.

Fair Value Measurements

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

Level 1 - This level consists of unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets, or liabilities.

Level 2 - This level consists of observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - This level consists of unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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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. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Functional Expenses

Safe & Sound allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly. Indirect expenses are allocated based on the ratio of each function's salary expense to total salary expense, with the exception of certain Third Street building expenses (inclusive of utilities and maintenance, insurance, and Bay Park Owners Association dues), which are considered costs of the Strategic Partnerships function.

Income Taxes

Safe & Sound is exempt from federal and California state income taxes under Section 501(c)(3) of IRC Section 23701(d) of the California Revenue and Taxation Code, respectively. Safe & Sound had no sources of unrelated business income during the years ended December 31, 2024 and 2023.

Subsequent Events

Safe & Sound evaluated subsequent events through June 26, 2025 which was the date of the financial statements were available to be issued.

3. Net Assets with Donor Restrictions

Net assets with donor restrictions represent pledges and grants to Safe & Sound that have been restricted for a specific purpose or time period. Net assets with donor restrictions are as follows:

<i>December 31,</i>	2024	2023
Net Assets with Purpose or Time Restrictions		
Strategic Partnerships and Policy	\$ 1,356,576	\$ 1,182,930
Children and Family Services	595,646	389,465
Time restricted	300,000	440,000
Community Education and Partnerships	39,231	353,228
Other specific purposes	151,427	157,595
	2,442,880	2,523,218
Net Assets with Perpetual Restrictions		
Endowments	10,000	10,000
Total	\$ 2,452,880	\$ 2,533,218

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4. Liquidity and Availability of Resources

Safe & Sound's financial assets available for general expenditure—that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date—comprise the following:

<i>December 31,</i>	2024	2023
Financial Assets at Year End		
Cash and cash equivalents	\$ 3,625,227	\$ 3,612,938
Investments	7,295,118	9,182,352
Government grants receivable	1,158,524	1,736,636
Contributions and other grants receivable, net	1,309,740	975,720
Total Financial Assets	13,388,609	15,507,646
Less amounts not available to be used within one year:		
Contributions and other grants receivable, net	-	(137,520)
Net assets with donor restrictions for particular purposes	(2,452,880)	(2,395,698)
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	\$ 10,935,729	\$ 12,974,428

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Safe & Sound has a goal to maintain financial assets, which consist of cash, short-term investments, and current receivables on hand to meet six months of normal operating expenses, which are, on average, approximately \$1,100,000 per month. Safe & Sound has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity management, Safe & Sound invests cash in various short-term investments in accordance with its investment policy.

5. Contributions and Other Grants Receivable, Net

Contributions and other grants receivable are recorded in the statement of financial position as follows:

<i>December 31,</i>	2024	2023
Receivable in less than one year	\$ 1,311,727	\$ 851,000
Receivable in one to five years	-	150,000
	1,311,727	1,001,000
Less: discount on long-term contributions and other grants	-	(4,980)
Less: reserve for uncollectable contributions and other grants	(1,987)	(20,300)
Total	\$ 1,309,740	\$ 975,720

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<i>December 31,</i>	2024	2023
Contributions and other grants receivable, current portion	\$ 1,309,740	\$ 838,200
Contributions and other grants receivable, net	-	137,520
Total	\$ 1,309,740	\$ 975,720

The amounts presented above were discounted to present value using a discount rate of 4.79% in 2023.

6. Property and Equipment, Net

Property and equipment, net, are as follows:

<i>December 31,</i>	2024	2023
Land	\$ 2,102,159	\$ 2,102,159
Building and building improvements	5,427,621	5,412,746
Furnishings and equipment	301,053	301,053
	7,830,833	7,815,958
Less: accumulated depreciation	(2,403,233)	(2,184,705)
Total	\$ 5,427,600	\$ 5,631,253

Depreciation expense for the years ended December 31, 2024 and 2023 was \$218,528 and \$231,367, respectively.

7. In-Kind Donations

In-kind donations included pro-bono legal services and donated goods. Donations were utilized by Safe & Sound's supporting services, and there were no donor-imposed restrictions.

In-kind donations were as follows:

Year ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Donated legal services	\$ -	\$ 188,321	\$ -	\$ 188,321
Donated auction goods	-	-	69,750	69,750
Total	\$ -	\$ 188,321	\$ 69,750	\$ 258,071

Safe & Sound

Notes to Financial Statements

Year ended December 31, 2023

		Program Services	Management and General	Fundraising	Total
Donated legal services	\$	-	\$ 189,990	\$ -	\$ 189,990
Donated auction goods		-	-	62,800	62,800
Total	\$	-	\$ 189,990	\$ 62,800	\$ 252,790

8. Retirement Plan

The 401(k) plan covers employees who have been employed by Safe & Sound for at least one year and who regularly work at least 20 hours per week. Employees may elect to make contributions to the Plan. Employer contributions made on behalf of eligible employees are discretionary. Safe & Sound contributed \$169,654 and \$164,154 to the 401(k) plan for the years ended December 31, 2024 and 2023, respectively.

9. Commitments and Contingencies

Leases

Safe & Sound leases out 3450 Third Street, Building 2, which it owns, to three tenants. Two of the leases expired during the year ended December 31, 2023 and were not renewed. The third lease will expire in November 2025.

Safe & Sound's future minimum estimated rental income for the year ending December 31, 2025 is \$64,282.

Grant Awards

At December 31, 2024, there were \$208,377 of conditional grant subawards outstanding to various organizations. These awards are expected to be recorded as expense during the year ending December 31, 2025, as conditions are met by recipients.