A Safe Haven Foundation

(An Illinois not-for-profit corporation)

Consolidated Financial Statements
and Independent Auditor's Report

June 30, 2024

A SAFE HAVEN FOUNDATION
(AN ILLINOIS NOT-FOR-PROFIT CORPORATION)

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	3 - 4
Consolidated Statement of Activities	5
Consolidated Statement of Functional Expenses	6 - 7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9 - 25
SUPPLEMENTARY INFORMATION	
Consolidating Schedule of Financial Position	26 - 29
Consolidating Schedule of Activities	30 – 31
Consolidated Schedule of Expenditures of Federal Awards	32 - 33
Notes to the Consolidated Schedule of Expenditures of Federal Awards	34
Schedule of Functional Expenses – A Safe Haven Foundation	35
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	36
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	37 - 38
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	39 - 40
INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION	41
AUDIT CONSOLIDATED YEAR-END FINANCIAL REPORT	42 - 43

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
A Safe Haven Foundation

Opinion

We have audited the accompanying consolidated financial statements of A Safe Haven Foundation (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2024, 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 Organization as of June 30, 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 and the standards applicable to the financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Organization will continue as a going concern. As discussed in Note 20 to the consolidated financial statements, the Organization's continuous losses raise substantial doubt about the Organization's ability to continue as a going concern. Management's evaluation of this event and condition and management's plans regarding this matter are also described in Note 20. The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties. Our opinion is not modified with respect to this matter.

Prior Year Adjustment

We audited the adjustment described in Note 21 to reclassify beginning net assets between controlling and noncontrolling interest. In our opinion, such adjustment is appropriate and has been properly presented.

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 Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's 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 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 generally accepted auditing standards and *Government 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 and *Government 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 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 consolidated 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information for the year ended June 30, 2024, including the consolidated schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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 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 consolidated schedule of expenditures of federal awards for the year ended June 30, 2024 is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

FGMK, LLC

Bannockburn, Illinois
June 27, 2025

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

ASSETS

Current Assets	
Cash and cash equivalents	$ 132,672
Restricted cash	3,334,715
Contributions receivable-net	99,546
Contracts receivable-net	2,815,451
Due from related parties	3,441,030
Prepaid expenses	75,003
Total current assets	9,898,417
Property and equipment	
Land	3,915,462
Buildings and improvements	51,450,410
Furniture, fixtures, and equipment	4,602,070
Computer software	5,600
Construction in progress	3,950
	59,977,492
Less: Accumulated depreciation and amortization	(14,007,260)
Net property and equipment	45,970,232
Other assets	
Other assets	210,240
Interest rate swap	278,440
Right-of-use assets- finance lease	663,879
	1,152,559
Investment in partnerships	1,661,242
Total other assets	2,813,801
Total assets	$ 58,682,450

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

LIABILITIES AND NET ASSETS

Current liabilities	
Lines of credit	$ 1,438,000
Current portion of long-term debt	7,681,477
Current portion of finance leases	160,875
Accounts payable and accrued expenses	3,774,995
Accrued interest	17,760
Current portion of deferred grant revenue	2,120,137
Other current liabilities	583,448
Retainage payable	1,259,229
Due to related parties	9,327,677
Total current liabilities	26,363,598
Long-term liabilities	
Long-term debt, net of current portion	10,305,876
Finance leases, net of current portion	486,518
Deferred grant revenue, net of current portion	8,622,631
Total long-term liabilities	19,415,025
Total liabilities	45,778,623
Net Assets - Without donor restrictions	
Controlling interest	6,046,690
Noncontrolling interest	5,701,573
Total net assets - without donor restrictions	11,748,263
Net Assets - With donor restrictions	
Controlling interest	1,155,564
Total net assets	12,903,827
Total liabilities and net assets	$ 58,682,450

The accompanying notes are an integral part of this statement.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Government grants	$ 9,066,097	$ -	$ 9,066,097
Government contracts	496,575	-	496,575
Social enterprise revenue	5,200,164	-	5,200,164
Lease income	3,776,483	-	3,776,483
Contributions of cash and other financial assets	1,763,814	231,550	1,995,364
Contributions of nonfinancial assets	1,122,771		1,122,771
Other revenue	528,168	-	528,168
Net assets released from restrictions	370,126	(370,126)	-
Total support and revenue	22,324,198	(138,576)	22,185,622
Operating expenses			
Program services	25,234,182	-	25,234,182
Management and general	2,268,658	-	2,268,658
Fundraising	520,857	-	520,857
Total operating expenses	28,023,697	-	28,023,697
Nonoperating activities			
Change in fair value of interest rate swap	3,841	-	3,841
Total nonoperating activities	3,841	-	3,841
Change in net assets before noncontrolling interest	(5,695,658)	(138,576)	(5,834,234)
Change in net assets attributable to noncontrolling interest	2,540,426	-	2,540,426
Change in net assets attributable to controlling interest	(3,155,232)	(138,576)	(3,293,808)
Controlling interest net assets - Beginning of year, as restated	13,337,850	1,294,140	14,631,990
Effect of deconsolidation of affiliates	(4,135,928)	-	(4,135,928)
Controlling interest net assets - Beginning of year (adjusted)	9,201,922	1,294,140	10,496,062
Controlling interest net assets - End of year	$ 6,046,690	$ 1,155,564	$ 7,202,254
Noncontrolling interest net assets - Beginning of year, as restated	$ 7,214,998	$ -	$ 7,214,998
Effect of deconsolidation of affiliates	(325,319)	-	(325,319)
Noncontrolling interest net assets - Beginning of year (adjusted)	6,889,679	-	6,889,679
Contributions	1,352,320	-	1,352,320
Change in net assets attributable to noncontrolling interest	(2,540,426)	-	(2,540,426)
Noncontrolling interest net assets - End of year	$ 5,701,573	$ -	$ 5,701,573
Total net assets - End of year	$ 11,748,263	$ 1,155,564	$ 12,903,827

The accompanying notes are an integral part of this statement.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	Program Expenses								
	Behavioral Center	Health Initiatives	Education	Residential	Social Enterprise	Supportive Services	Workforce Development	Real Estate Operations	Total
Salaries and related expenses	$ 1,571,846	$ -	$ 248,897	$ 3,096,701	$ 3,279,466	$ 2,132,658	$ 676,500	$ 385,001	$ 11,391,069
Interest	-	-	-	6,112	14,836	1,780	-	672,758	695,486
Program food clothing and personal maintenance	55,167	71,090	48,788	1,306,587	17,955	1,373,505	193,596	10,584	3,077,272
Utilities, supplies and maintenance	134,370	-	52,108	1,094,427	1,014,234	12,811	26,158	890,000	3,224,108
General insurance	2,655	-	3,605	100,703	104,876	797	1,142	120,507	334,285
Professional fees / contract services	261,632	9,616	93,776	347,131	501,416	447,037	117,379	502,464	2,280,451
Office expenses	95,603	139	13,169	34,522	28,789	120,298	11,604	25,560	329,684
In-Kind expense	-	-	15,502	1,093,395	-	-	-	-	1,108,897
Miscellaneous	-	-	-	132,000	5,960	9,600	-	28,293	175,853
Real estate tax expense	-	-	-	-	61,740	13,834	-	-	75,574
Catering and event planning	-	-	-	-	-	-	-	-	-
Telephone	-	-	2,293	6,569	6,813	18,078	46	9,398	43,197
Postage/printing	-	-	-	-	236	403	29	218	886
Transportation and travel	-	-	6,546	24,599	177,392	47,849	3,887	2,620	262,893
Total expenses before depreciation and amortization	2,121,273	80,845	484,684	7,242,746	5,213,713	4,178,650	1,030,341	2,647,403	22,999,655
Depreciation	15,499	372	-	131,123	-	-	-	1,950,009	2,097,003
Amortization	-	-	-	15,979	101,504	1,924	-	18,117	137,524
	$ 2,136,772	$ 81,217	$ 484,684	$ 7,389,848	$ 5,315,217	$ 4,180,574	$ 1,030,341	$ 4,615,529	$ 25,234,182

The accompanying notes are an integral part of this statement.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	Management Expenses			
	Management and General	**Fundraising**	**Total**	**Total**
Salaries and related expenses	$ 691,863	$ 446,050	$ 1,137,913	$ 12,528,982
Interest	616,872	-	616,872	1,312,358
Program food clothing and personal maintenance	6,157	2,692	8,849	3,086,121
Utilities, supplies and maintenance	7,017	447	7,464	3,231,572
General insurance	56,314	-	56,314	390,599
Professional fees / contract services	236,500	23,720	260,220	2,540,671
Office expenses	241,297	19,604	260,901	590,585
In-Kind expense	-	13,874	13,874	1,122,771
Miscellaneous	12,726	358	13,084	188,937
Real estate tax expense	15,876	-	15,876	91,450
Catering and event planning	665	8,608	9,273	9,273
Telephone	12,503	2,271	14,774	57,971
Postage/printing	4,577	2,890	7,467	8,353
Transportation and travel	24,548	343	24,891	287,784
Total expenses before depreciation and amortization	1,926,915	520,857	2,447,772	25,447,427
Depreciation	311,557	-	311,557	2,408,560
Amortization	30,186	-	30,186	167,710
	$ 2,268,658	$ 520,857	$ 2,789,515	$ 28,023,697

The accompanying notes are an integral part of this statement.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2024

Cash flows from operating activities	
Change in net assets attributable to controlling interest	$ (3,293,808)
Adjustments to reconcile change in net assets attributable to controlling interest to net cash used in operating activities	
Change in net assets attributable to noncontrolling interest	(2,540,426)
Loss from investment in partnerships	92,275
Change in fair value of interest rate swaps	(3,841)
Depreciation and amortization	2,576,270
Amortization of debt issuance costs	11,506
Change in allowance for credit losses	4,770
Changes in operating assets and liabilities:	
Contributions and contracts receivable	267,807
Prepaid expenses	137,151
Other assets	14,500
Accounts payable and accrued expenses	(506,071)
Accrued interest	(32,523)
Retainage payable	(199,325)
Other liabilities	547,752
Deferred revenue	485,119
Net cash used in operating activities	(2,438,844)
Cash flow from investing activities	
Purchases of property and equipment	(109,238)
Cash flows from financing activities	
Net change in due to/from related parties	(492,991)
Net change in lines of credit	256,000
Proceeds from long-term debt	1,485,783
Principal payments on long-term debt	(427,648)
Principal payments on finance leases	(199,646)
Contributions received	1,352,320
Net cash provided by financing activities	1,973,818
Net change in cash, cash equivalents, and restricted cash	(574,264)
Cash, cash equivalents, and restricted cash - Beginning of year	4,041,651
Cash, cash equivalents, and restricted cash - End of year	$ 3,467,387
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Interest paid by Organization	$ 1,335,484
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES	
Right of use assets obtained in exchange of lease liabilities	$ 429,875

The accompanying notes are an integral part of this statement.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Organization and Program Description

A Safe Haven Foundation ("ASHF") was formed on April 26, 2001 as a not-for-profit corporation under the laws of the State of Illinois to provide job placement, rehabilitation services, and shelter to the people of the City of Chicago ("City") that are in need. In 2012, the Foundation added to its mission other activities to create and promote long-term housing for those in need.

On September 30, 2009, ASHF signed a management agreement with the Chicago Christian Industrial League ("CCIL"), an unrelated party at that time, to act as Manager and to oversee CCIL's programs and facilities. This agreement charged ASHF with the establishment of a long-term strategic plan and efficient operation of CCIL's business plan. On March 24, 2010, ASHF entered into a Strategic Alliance/Transfer Agreement ("Strategic Alliance") with CCIL to provide for an alignment of revenue contracts, oversight of fundraising efforts, oversight of the human resources function, and to work with service providers and other vendor relationships to carry out the strategic joint mission of ASHF and CCIL. Concurrent with the Strategic Alliance, CCIL assigned its interest in the 2750 W Roosevelt Building and related debt, and certain identified homeless service contracts with the City, to ASHF. In 2024, CCIL revised its bylaws and currently operates under an independent board of directors. ASHF no longer has governance control, and CCIL's financial reporting has been deconsolidated.

In 2012, ASHF became the single member of an Illinois Limited Liability Company known as KMA Holdings V, LLC ("KMA V"). KMA V is a limited partner in real estate development projects (Note 3) for low-income housing where ASHF will provide case management and supportive services to certain residents of the housing development once construction and leasing are complete.

In 2013, two of ASHF's board members became the majority board members for a 501(c)(3) organization known as Harborquest, Inc. Harborquest, Inc. owns a single member L3C known as Civic Staffing ("CS") which provides a temporary employment labor force for clients that are in the need of such low-cost alternatives to permanent hiring. Collectively the organizations are referred to as Harborquest ("HQ"). The organizations began working together in a collaborative way to provide employment training services to the current customer base of CS and to fulfill the separate workforce development contracts of ASHF.

In December 2013, ASHF's and CCIL's Boards of Directors approved a transaction that would combine the remaining business interests of CCIL into ASHF. CCIL owns two single member LLCs known as 600 S Wabash Commercial ("Commercial") and 600 S Wabash LLC ("LLC"). The LLC is the .01% general partner of 600 S Wabash LP ("LP'). Commercial owns six spaces of commercial space on the ground floor of the building. The LP owns a 169-unit residential structure which sits on the upper floors of the same building at 600 S Wabash. Under the above-mentioned management agreement and a CCIL board resolution, ASHF gained full management control of the CCIL operations. In 2024, CCIL revised its bylaws and currently operates under an independent board of directors. ASHF no longer has governance control, and based on the ownership structure noted above, the financial reporting of CCIL, Commercial, LLC, and LP have been deconsolidated.

In 2014, ASHF became the single member of an Illinois Limited Liability Company, KMA Holdings VIII, LLC ("KMA VIII"). The entity was formed with the intent to develop real estate on several parcels of land in Melrose Park, Illinois. In 2016, KMA VIII admitted a minority partner to help with those development efforts. KMA VIII decided to utilize low-income housing tax credits and to seek a limited partner to bring significant equity to the project. Therefore, in anticipation of that transaction, it formed a joint venture, Melrose Park Veterans Housing, LP ("MPVH"). The financing closed on October 21, 2015, with a $2,396,563 initial equity injection by the limited partner, the National Equity Fund ("NEF"), and construction of the project began in earnest. In July 2016, the construction was completed, and the building began leasing units. Melrose Park was fully leased in May 2017.

In 2017, ASHF became the single member of an Illinois Limited Liability Company, ASH IV, LLC ("ASH IV"). The entity was formed with the intent to renovate real estate in Chicago, Illinois. ASH IV is a minority partner in Celadon-KMA GP I, which is the general partner in WP School Redevelopment Limited Partnership. The limited partner in this development is Enterprise Community Partner ("Enterprise"). This facility is able to provide 60 affordable housing units for seniors and was completed in the summer of 2019. Lease up was completed in December 2019.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Organization and Program Description (concluded)

In 2018, ASH V, LLC ("ASH V") was formed and became the single member of an Illinois Limited Partnership Company, Roosevelt Road Veteran Housing, LP ("RRVH"), also formed in 2018. The entity was formed with the intent to develop real estate in Chicago, Illinois. ASH V is the general partner along with National Equity Fund ("NEF") as the limited partner. RRVH decided to utilize low-income housing tax credits and to obtain a limited partner to bring significant equity to the project. RRVH broke ground in the spring of 2020. In January 2022, construction was substantially completed, and the building began leasing units.

In 2019, ASH VI, LLC ("ASH VI") was formed and became the single member of an Indiana Limited Liability Company, A Safe Haven Veteran Apartments, LP ("ASHVA"), which was formed in August 2019 as an Indiana Limited Liability Company. The entity was formed with the intent to develop real estate in Hobart, Indiana. ASH VI is the general partner along with Cinnaire, a Michigan investment company, as the limited partner. ASHVA decided to utilize low-income housing tax credits and to obtain a limited partner to bring significant equity to the project. In 2020, ASH Hobart, LLC ("ASH Hobart") was formed and became the single member of an Illinois Limited Liability Company, ASH VI, LLC, and admitted a minority partner to help with development efforts. ASHVA broke ground in the spring of 2020. In November 2021, construction was substantially completed, and the building began leasing units.

ASHF manages its programs and their related functional expenses under seven distinct areas of impact:

Behavioral Health – Mental health treatment services for populations at risk
Health Initiatives – Assistance in accessing health insurance and services for populations at risk
Education – Life skills and literacy training for ASHF clients, including youth mentoring and support
Residential – Emergency and interim housing for populations at risk
Social Enterprise – Landscaping, staffing and catering services sold into multiple markets
Supportive Services – Homeless prevention interventions, substance abuse treatment and transitional housing
Workforce Development – Job skills training, transition back to work counseling and job placement support
Real Estate Operations – Rental of affordable housing and commercial space

Note 2 – Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of ASHF, KMA V, KMA VIII, HQ, MPVH, ASH IV, ASH V, ASH VI, ASH Hobart, ASHVA and RRVH (collectively the "Organization").

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Information regarding the financial position and activities of the Organization are reported in two classes of net assets (as applicable): with donor restrictions and without donor restrictions.

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets without donor restrictions: Net assets that are not subject to donor-imposed or the donor-imposed restriction have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Organization. Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Allocation of Expenses

The costs of providing the various programs, fund-raising, and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain indirect costs have been allocated among the seven program areas, administrative and fundraising activities on the basis of management's estimates.

Management Estimates and Assumptions

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates and assumptions are used for, but not limited to: (1) collectability of contracts receivable, and (2) functional allocation of expenses. Future events and their effects cannot be predicted with certainty; accordingly, accounting estimates require the exercise of judgment. Accounting estimates used in the preparation of these consolidated financial statements change as new events occur, as more experience is acquired, as additional information is obtained, and as the operating environment changes.

Cash and Cash Equivalents

The Organization considers all highly liquid short-term investments with original maturities of three months or less to be cash equivalents. The Organization regularly maintains cash balances, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk related to cash and cash equivalents.

Restricted Cash

Escrows are maintained for the benefit of projects of MPVH, RRVH, and ASHVA. These escrowed funds are restricted as to their use based upon the applicable regulatory documents.

MPVH has four escrowed funds for operating reserves. RRVH and ASHVA are developments that began construction in 2020. As part of the construction loans, escrow accounts have been established.

Contributions Receivable

Contributions are recorded as increases in net assets with donor restrictions or increases in net assets without donor restrictions, depending on the existence or nature of any donor restrictions. When a donor restriction expires, that is, when a 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 accompanying consolidated statement of activities as net assets released from restriction. The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. The allowance for credit losses was approximately $33,000 as of June 30, 2024.

(Continued)

Note 2 – Summary of Significant Accounting Policies (continued)

Contracts Receivable

Contacts receivable represent uncollateralized, unconditional amounts due for various program services provided to funding agencies and others, as well as earned revenue from social business enterprises. due under normal trade terms granted by the Company on the basis of each customer's own creditworthiness. The carrying amount of accounts receivable is reduced by an allowance for credit losses. The Company's allowance for credit losses represents the estimate of expected credit losses related to accounts receivable. The Company pools its accounts receivable based on similar risk characteristics, such as geographic location, business channel, and other account data. To estimate the allowance for credit losses, the Company leverages information on historical losses, asset-specific risk characteristics, current conditions, and reasonable and supportable forecasts of future conditions. Account balances are written off against the allowance when the Company deems the amount is uncollectible. Uncollectible amounts are charged to credit loss expense when that determination is made. There was no allowance for credit losses as of June 30, 2024.

Tenant Security Deposits

Regulations of IHDA require that security deposits be segregated from the general funds of MPVH. Accordingly, this entity holds all security deposit funds in a separate interest-bearing account. When the tenant vacates the unit, any unpaid balance remaining after application of the security deposit is charged to bad debt expense. The security deposit is included in other current liabilities in the consolidated statement of financial position.

Property and Equipment

Property and equipment purchased are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value at the time of donation. Improvements are capitalized, while expenditures for ordinary maintenance and repairs are expensed as incurred. Property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. There were no impairment charges for the year ended June 30, 2024. For projects where ASHF is functioning as the general partner in an affordable housing construction project, construction in progress entries are made based on the certified construction draw materials which document the capitalized costs of the project completed at the end of each month.

Property and equipment are depreciated or amortized over their estimated useful lives, using the straight-line method as follows:

	Estimated Useful Lives (in Years)
Building and improvements	15-50
Furniture, fixtures, and equipment	5-20
Computer software	2-3
Tenant improvements	Lease Life

Depreciation expense totaled $2,408,560 for the year ended June 30, 2024.

Debt Issuance Costs and Amortization

Debt issuance and financing costs consist of bond issuance costs and other fees incurred in order to obtain financing. Such amounts are amortized over the term of the related debt using the straight-line method. GAAP requires that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method. Tax credit fees are amortized over 10 years using the straight-line method. The costs are presented net of long-term debt in the consolidated statement of financial position.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Investment in Partnerships

The Organization accounts for investments in partnerships under the equity method of accounting because the Organization does not have operational and financial control. The aspects of control are reviewed annually. The equity method of accounting shows the net equity investment in the partnerships consisting of total contributions to the partnerships less distributions adjusted for the income or loss allocated to the Organization from the partnerships. The investment in partnerships is reviewed for impairment when events or changes in circumstances indicate that the carrying value of the investment is not recoverable. There were no impairment charges for the year ended June 30, 2024.

Non-Controlling Interest in Limited Partnership

This amount represents the aggregate balance of limited partner equity interests in the non-wholly owned limited partnerships that are included in the consolidated financial statements.

Revenue from Contracts with Customers

Revenue is recognized when performance obligations under the terms of the contracts with government agencies on behalf of eligible individuals are satisfied. Revenue from contracts with customers are recognized over time and consisted of the following components for the year ended June 30, 2024:

	Amount
Governmental contracts	$ 496,575
Social enterprise revenue	5,200,164
	$ 5,696,739

Governmental Contracts - The Organization's governmental contracts are comprised of contracts with various governmental agencies providing recovery housing arrangements and other supplemental services if needed to the enrolled participants. Revenues are recognized when the promised services were rendered in an amount that reflects the consideration (per diem rate) that Organization is entitled to receive per contracts terms with the governmental agencies.

Social Enterprise Revenue - Social enterprise revenue is comprised of contracts with various private and governmental agencies to provide landscaping, catering or temporary staffing services. Revenues are recognized when the Organization has satisfied the terms of the contract by transferring the promised services to the customer in an amount that reflects the consideration that the Organization is entitled to receive per contract terms with the customer.

Practical Expedients - The Organization has adopted certain practical expedients under ASC 606 with significant items disclosed herein. The Organization has elected to apply the portfolio approach practical expedient allowed under ASC 606 to evaluate contracts with customers that share the same revenue recognition patterns as the result of evaluating them as a group will have substantially the same result as evaluating them individually.

Disaggregation of Revenue 2024 - The Organization's revenue under governmental contracts consisted of 100% of revenue from Department of Housing and Urban Development ("HUD"). The Organization's revenue under social enterprise revenue consisted of approximately 88% of revenue from landscaping and 12% of temporary staffing services.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Lease Income

Rental income for office/retail space is from other service providers that provide specific services that complement ASHF's homeless service programs. ASHF also leases beds to a related entity (See Note 5). Rental income is recognized as it is earned under the specific non-cancellable operating lease agreements. Certain leases provide for tenant occupancy during periods for which no rent is due and/or increases in minimum lease payments over the terms of the leases. Rental revenue is accrued for the full period of occupancy on a straight-line basis. All leases between MPVH, RRVH, and ASHVA and the tenants of the properties are considered operating leases and have terms of one year or less.

Governmental Grants

Revenue recorded as governmental grants are considered contributions. Contribution revenue is recognized as services are provided in accordance with the terms of the grants, which are primarily related to providing facilities to shelter the homeless. Grant funds received in advance of being earned are reported as deferred grant revenue. Any of the funders may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by ASHF with the terms of the grants. Management believes that the Organization is in compliance with all grants and that no amounts are due to grantors as of June 30, 2024.

Income Taxes

Not-For-Profit: The Organization's primary entities qualify as tax-exempt organizations under Section 50l(c) (3) of the Internal Revenue Code and are exempt from federal and state income taxes excluding any income not related to its tax-exempt purpose. The operations of CS are reported by HQ for tax purposes and are considered to be related to its tax-exempt purposes. No provision for income taxes has been recorded in the accompanying consolidated financial statements for the year ended June 30, 2024, as all income is related to its tax exempt purpose. However, these entities would be liable for taxes on unrelated business income generated from unrelated trade or business activities. These entities had no unrelated trade or business activity during the year ended June 30, 2024.

Corporations: ASH IV, ASH V, ASH VI, KMA V and KMA VIII have elected to be taxed as corporations. The Company provides for deferred income tax assets and liabilities based on the estimated future tax effects of differences between the consolidated financial statements and income tax basis of assets and liabilities based on the provision of enacted tax laws. Deferred income tax expenses or benefits are based on the charges in the asset and liability from year to year. The entities do not have a valuation allowance related to deferred income tax assets.

Limited Partnerships: No provision or benefit for income taxes has been included in these consolidated financial statements since taxable income or loss passes through to, and is reportable by, the partners individually.

Limited Liability Companies: The limited liability companies ("LLCs") are single member LLCs which are treated as disregarded entities for income tax purposes. Therefore, no provision or benefit for income taxes has been included in these consolidated financial statements since taxable income or loss passes through to, and is reportable by, the members individually.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (concluded)

Liquidity and Availability

The Organization strives to maintain liquid financial assets sufficient to cover 60 days of general expenditures. This includes the use of a revolving line of credit. The following table reflects the Foundation's current consolidated unrestricted financial assets as of June 30, 2024. The Organization has a line of credit with an available balance of $11,306 as of June 30, 2024. The Organization has a related party that has been available as an additional source of liquidity. The operations of the Organization averages approximately $2.2 million per month in expense (excluding In-Kind). The Organization is heavily dependent upon revenue from grants and donations as well as various revenue-producing activities.

	Amount
Consolidated Current Assets	
Cash and cash equivalents	$ 132,672
Contributions receivable-net	99,546
Contracts receivable-net	2,815,451
Prepaid expenses	75,003
Total current assets excluding restricted cash and related party receivables	3,122,672
Total current liabilities	27,867,098
Less: current liabilities to be paid through redevelopment program (Note 8)	8,636,453
Less: Due to related parties	9,327,677
Total current liabilities excluding related party payables	9,902,968
Liquidity Ratio*	0.32

*Excludes related party activities

Derivative Instruments

The Organization's interest rate swap is recognized as a liability in the accompanying consolidated statement of financial position and measured at fair value. Any change in the fair value is recognized immediately in earnings.

In order to present the interest expense at the fixed amount paid, the periodic settlement payments are recorded as interest expense and are included as operating expenses in the accompanying consolidated statement of activities. The change in the fair value of this financial instrument, net of the periodic settlement payments, has been recorded in nonoperating activities in the accompanying consolidated statement of activities. See Note 9 for further disclosures.

Note 3 – Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*, provides the framework for measuring fair value. The 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 and liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

> **Level 1 Inputs** - Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Investments included in Level 1 include listed equities.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 – Fair Value Measurements (concluded)

Level 2 Inputs - Observable market-based inputs or unobservable inputs that are corroborated by market data. Investments which are generally included in this category include less liquid and certain over-the-counter derivatives. Investments that are included in this category also include investments in commingled funds and investment partnerships such as hedge funds and open-ended real estate funds.

Level 3 Inputs - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of June 30, 2024.

Interest Rate Swap Agreement. The agreement is not traded on an exchange and is recorded at fair value based on a variety of observable inputs, including contractual terms, interest rate curves, yield curves, credit curves, measure of volatility, and correlations of such inputs. Valuation adjustments may be made in the determination of fair value, which was obtained by an independent third-party advisor. These adjustments include amounts to reflect counterparty credit quality and liquidity risk. A schedule of potential counterparty risk was also provided by an independent third-party advisor. Management's assessment of the maximum exposure assumed the counterparty had no claims-paying ability and had not posted collateral with a third party.

The following table summarizes financial assets and liabilities according to the fair value hierarchy:.

	Fair Value as of June 30, 2024			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Interest rate swap agreement	$ -	$ 278,440	$ -	$ 278,440

Note 4 – Investment in Partnerships

In June 2012, ASHF received $400,100 of project fee rebates from the Village of East Dundee in connection with the first phase of a two-phase development project to provide low income rental housing for individuals and families. ASHF contributed this amount to KMA V. ASHF was also awarded an Affordable Housing Program ("AHP") grant of $420,000 through a Member bank of the Federal Home Loan Bank system in connection with the development which it also contributed to KMA V. KMA V used the combined funds of $820,100 to make a capital contribution to Gardiner Senior Development, LLC which is the general partner of Gardiner Senior Apartments, LP, and the owner of the first phase of a low-income housing project. KMA V has a 26% interest in the general partner and is a non-managing member. The general partner in turn made an $820,000 capital contribution to the owner. This investment is recorded in accordance with the equity method of accounting.

In July 2012, ASHF received $1,000,000 of project rebate fees from the Village of East Dundee in connection with the second phase of the above two-phase development project to provide low income rental housing for individuals and families. ASHF contributed this amount to KMA V. KMA V used the $1,000,000 to make a capital contribution to River Haven Place GP, LLC which is the general partner of River Haven Place, LP, and the owner of the second phase of a low-income housing project. KMA V has a 26% interest in the general partner and is a non-managing member. The general partner, in turn, made a $1,000,000 capital contribution to the owner. This investment is recorded in accordance with the equity method of accounting.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4 – Investment in Partnerships (concluded)

In July 2012, KMA V also entered into a joint venture agreement with the same investor group for an interest in Oswego Mill Street Station GP, LLC which is the general partner of Oswego Mill Street Station LP. The LP is the owner of a development project that plans to construct and rent townhomes to low income individuals and families in the Oswego, Illinois area. The general partner acts as developer for the construction and that role generates owner development fees in addition to future property cash flows. Accordingly, ASHF records its share of development fees earned through its general partnership interest. ASHF will provide social service support for a portion of the tenants in the housing development. In 2013, the two East Dundee projects finished construction and lease-up and became operational. The Oswego project was finished in December 2014 and became operational. This investment is recorded in accordance with the equity method of accounting.

In October 2015, ASHF received a donation of land parcels in Melrose Park, Illinois valued at $750,000 to be used for the Melrose Park Veterans Housing project discussed in Note 1, and was included in the net assets with donor restrictions at June 30, 2024 and 2023. Additionally, ASHF was awarded another AHP grant of $630,000 through a Member bank of the Federal Home Loan Bank system in connection with the development. ASHF contributed these to KMA VIII, and they were in turn contributed to MPVH.

Note 5 – Related-Party Transactions

The Organization transacts business with entities under the control of related parties. Due to (from) related parties are disclosed in the accompanying consolidated statement of financial position as of June 30, 2024. The following is a summary of transactions between the Organization and related parties for the years ended June 30, 2024:

	2024
Social enterprise revenue	$ 575,000
Bed-leasing revenue	$ 1,290,700
Contributions	$ 260,000
Management fee expense	$ 1,764,000
Property rent expense	$ 169,800
Supportive service fees expense	$ 57,900
Reimbursed expenses	$ 1,418,800

Note 6 – Deferred Grant Revenue

Deferred grant revenue balance is $10,742,768 as of June 30, 2024. Significant grants are as follows:

Affordable Housing Program grants were used to fund ASHF's partnership investments as described in Note 4 for Gardiner Senior Development, LLC ("Gardiner"), MPVH and RRVH. It consists of $109,667 for the Organization's investment in Gardiner as of June 30, 2024, $304,500 for the Organization's investment in MPVH as of June 30, 2024, and $750,000 for the Organization's investment in RRVH as of June 30, 2024. The grant related to Gardiner requires that 70 units of the 80 total units of the project be leased to individuals who qualify as very low and/or low income under HUD guidelines. The grant related to MPVH requires that 18 of the 35 total units of the project be leased to individuals who qualify as very low income under HUD guidelines and 17 of the 35 total units of the project be leased to individuals who qualify as low income under HUD guidelines. ASHF is recognizing the grant revenue evenly over the 15-year compliance periods which expire in 2028 and 2032 for Gardiner and MPVH, respectively. ASHF will recognize the grant revenue for RRVH once the 15-year compliance period is over in 2035 based on the compliance requirement.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 6 – Deferred Grant Revenue (concluded)

ASHF was awarded $502,000 in forgivable home funds from Lake County Economic Development Department (“LCEDD”). In October 2021, LCEDD amended the promissory note and awarded an additional $100,000. ASHF received $501,000 as of June 30, 2024 and 2023 to fund ASHF’s loan to ASHVA. Based on the terms of the note, 66.67% was forgiven upon the date the project was placed into service in January 2022, and the remaining will be forgiven at maturity in 2042. $8,392 was recognized in 2024 and $146,156 was deferred as of June 30, 2024.

ASHF was awarded up to $7,900,000 from Indiana Housing Community Development Authority (“IHCDA”) and received $7,895,000 as of June 30, 2024 to fund ASHF’s loan to ASHVA. Upon completion of the project in January 2022, ASHF began recognizing the grant revenue over the 15-year compliance period based on the compliance requirement. $526,333 was recognized in 2024, and $6,535,306 was deferred as of June 30, 2024.

RRVH was awarded up to $1,700,000 from Chicago Low-Income Housing Trust Fund (“CLIHTF”). ASHF received $1,700,000 as of June 30, 2024 to support rental subsidies for RRVH. $92,686 was recognized in 2024, and $1,474,413 was deferred as of June 30, 2024. ASHF is recognizing the grant revenue as specific costs are incurred.

ASHF was awarded up to $3,996,810 from the U.S. Department of Veteran’s Affairs for supportive services for veterans and their families with a grant period from September 30, 2023 through September 30, 2024. ASHF recognized $666,007 and $1,202,102 was deferred as of June 30, 2024. ASHF is recognizing the grant revenue as specific costs are incurred.

Note 7 – Lines of Credit

Busey Bank Line of Credit: On March 1, 2019, the Organization entered an operating line of credit with Busey Bank up to 80% of eligible receivables, as defined, from ASHF not to exceed $2,000,000 less balance outstanding on the term loan, as defined in Note 8. This line of credit was renewed in March 2021, March 2023, and July 2023 and has a maturity date of July 28, 2025. Interest at Prime plus 1% is due monthly and the balance was $1,438,000 as of June 30, 2024.

The line of credit is subject to certain financial and non-financial covenants, including fixed charge coverage ratio and maximum liabilities to net assets. The Organization was not in compliance with the fixed charge coverage ratio and the maximum liabilities to net assets as of and for the year ended June 30, 2024, and subsequently the lender approved a waiver.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 8 – Long-Term Debt

Long-term debt consisted of the following as of June 30, 2024:

	Amount
A mortgage loan with Busey Bank with a beginning balance of $7,600,000. The mortgage was initiated on March 1, 2019, with a maturity date of March 1, 2029. The interest rate is equal to 1-month Term Secured Overnight Financing Rate ("SOFR") plus 2.5%. This agreement also includes a swap component, as discussed in Note 9. The outstanding balance is presented net of unamortized debt issuance costs of $53,150 as of June 30, 2024.	$ 6,281,173
A term note issued by Busey Bank on July 28, 2023 with a beginning balance of $900,000. The note bears an interest rate of 7.22% and requires monthly payments of principal and interest of $17,195 through maturity on July 28, 2028.	754,177
On May 25, 2024, ASHF converted $562,000 of borrowings outstanding on the Busey Bank Line of Credit into a term loan. The loan bears an interest rate of 8.14% and requires monthly payments of principal and interest of $11,433 through maturity on May 25, 2029.	550,694
A loan issued by the City of Chicago dated March 19, 2020 to finance construction of the RRVH property that is non-interest bearing. All outstanding principal is due at maturity, paid in full on April 1, 2062. The outstanding balance is presented net of unamortized debt issuance costs of $101,825 as of June 30, 2024.	328,378
A construction promissory note of RRVH issued by Bank of America dated March 19, 2020 to finance construction of the Roosevelt Road Veterans Housing property. The note bears an effective interest rate of Bloomberg Short-Term Bank Yield Index ("BSBY") + 1.85%, requiring accrued and unpaid interest to be paid monthly. All outstanding principal is due at maturity, which has been extended to September 20, 2024. Upon maturity, the note will be paid off through the third party funds and refinancing required to be provided within redevelopment program, including funds from City tax increment allocation bonds ("TIF bonds"), a permanent mortgage loan secured with Community Investment Corporation ("CIC") and scheduled capital contributions from NEF. Subsequent to year-end, the note was paid in off in the manner noted above, and a permanent mortgage loan was secured with CIC. The permanent mortgage loan bears an interest rate of 5.27% and requires monthly payments of principal and interest of $7,909 through maturity on September 20, 2039. The outstanding balance is presented net of unamortized debt issuance costs of $26,500 as of June 30, 2024.	8,609,953
A construction promissory note of MPVH issued by the County of Cook dated October 23, 2015 to finance construction of the A Safe Haven Veteran Village property. The note bears interest at an effective rate of 1.73% per annum, requiring annual payments of accrued interest only in the amount of $25,373 per year, paid in arrears, due beginning October 1, 2017 until maturity, October 16, 2055. The note is collateralized by the five land parcels in the village of Melrose Park on which the A Safe Haven Veteran Village property was constructed. The maximum loan value per the agreement is in the amount $1,466,674. The outstanding balance is presented net of unamortized debt issuance costs of $3,696 as of June 30, 2024.	1,462,978
	17,987,353
Current	7,681,477
Long-Term	$ 10,305,876

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 8 – Long-Term Debt (concluded)

Future minimum payments of long-term debt were as follows as of June 30, 2024:

Year Ending June 30:	Amount
2025	$ 7,681,477
2026	601,886
2027	641,743
2028	684,339
2029	5,208,772
Thereafter	3,169,136
	$ 17,987,353

Note 9 – Interest Rate Swap

The Organization entered into an interest rate swap agreement for $7,600,000 in connection to the Busey promissory note. Under the terms of the agreement, the Organization is to pay the variable rate noted in Note 8 above and receive a fixed rate of 5.44%. The purpose of the swap is to effectively fix the variable interest rate attached to the Organization's borrowings. The swap agreement terminates on March 1, 2029. The Organization is exposed to credit loss in the event of nonperformance with the interest rate swap agreements; however, the Organization does not anticipate any nonperformance.

Note 10 – Finance Leases

The Organization leases certain non-cancelable equipment and automobiles under agreements accounted for as finance leases with various terms extending through March 2030, and secured by the specific equipment and automobiles being leased.

The components of lease expenses were approximately as follows for the year ended June 30, 2024:

	Amount
Amortization of right-of-use asset	$ 38,874
Interest expense on lease liabilities	25,731
Total lease expense	$ 64,605

Other information related to leases were as follows for the year ended June 30, 2024:

Weighted-average remaining lease term (in years)	3.35
Weighted-average discount rate	3.60%
Right-of-use assets obtained in exchange for lease liabilities	$ 456,880

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 10 – Finance Leases (concluded)

Future maturities of lease liabilities under non-cancelable finance leases were as follows as of June 30, 2024:

Year Ending June 30	Amount
2025	$ 202,961
2026	175,944
2027	168,639
2028	123,917
2029	72,682
Thereafter	14,603
Total future minimum lease payments	758,746
Less: Amounts representing interest	111,353
Present value of minimum lease payments	647,393
Less: Current portion	160,875
	$ 486,518

Note 11 – Tax Credits

MPVH Tax Credit. MPVH has received an allocation of low-income housing tax credits from the State of Illinois totaling $9,458,480. The building of the project has qualified for and been allocated low-income housing tax credits pursuant to Section 42. These tax credits are contingent on its ability to maintain compliance with applicable provisions of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period, could result in recapture of previously claimed tax credits plus interest. The credit allocation will be allowed annually in the amount of $945,848 for 10 years up to 15 years if the Project remains in compliance, and dependent on unit lease-up during the two initial years of operations. MPVH began receiving a credit allocation during the year ended June 30, 2016.

Note 12 – Commitments and Guarantees

MPVH has executed a regulatory agreement with IHDA which requires the operation of the 35 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on October 23, 2035.

ASHVA has executed a regulatory agreement with the City of Hobart which requires the operation of the 75 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 15 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires September 1, 2036.

RRVH has executed a regulatory agreement with City of Chicago Department of Housing which requires the operation of the 90 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on October 23, 2051.

MPVH has executed a regulatory agreement with IHDA which requires the operation of the 35 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on October 23, 2035.

(Continued)

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 12 – Commitments and Guarantees (concluded)

ASHVA has executed a regulatory agreement with the City of Hobart which requires the operation of the 75 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 15 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires September 1, 2036.

RRVH has executed a regulatory agreement with City of Chicago Department of Housing which requires the operation of the 90 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on October 23, 2051.

Note 13 – Partnership Profits, Losses, and Distributions

As the general partner, KMA VIII, ASH V and ASH VI have a 0.01% interest in MPVH, RRVH and ASHVA, respectively, while one other limited partner has a 99.99% interest. Generally, profits and losses from the limited partnerships are allocated to their partners in accordance with their percentage interests. Cash flow, as defined by the Partnership Agreement, generally is distributable as scheduled. Profits and losses arising from the sale, refinancing, or other disposition of all or substantially all of the partnership's assets will be specifically allocated as scheduled in the respective partnership agreements. Additionally, the partnership agreements provide for other instances in which a special allocation of profits, losses and distributions may be required.

Note 14 – Significant Contracts

ASHF has four HUD grants to provide transitional housing and supportive services to a variety of populations. These contracts provide for partial funding of total program costs and require a portion of the program costs, as defined, to be matched by other contracts or contributions. Revenues from these contracts were $992,381 for the year ended June 30, 2024.

ASHF has contracts with the City's Department of Families and Support Services to perform supportive services for people who are formerly homeless. These contracts allow ASHF to serve an additional three populations of families and at-risk youth and provide funding for the program costs, as defined. Total revenue recognized by ASHF under these contracts was $1,974,119 for the year ended June 30, 2024.

ASHF has a contract with the Illinois Department of Human Services to perform supportive services for people who are formerly homeless, or who are under threat of homelessness, who occupy units of affordable housing with affiliated companies. This contract provides partial funding for the program and requires a portion of the program costs, as defined, to be matched by other contracts or contributions. Revenues from this contract were $1,221,759 for the year ended June 30, 2024.

As part of providing a comprehensive training employment program, ASHF has various contracts with the City and the Chicago Public Schools to perform landscape maintenance services throughout the City. Revenues from these contracts were $4,128,815 for the year ended June 30, 2024.

ASHF has a management agreement whereby a related party provides management services to ASHF in the form of corporate management and property management for the Foundation's rental property. Total management fees incurred under the agreements were $1,607,710 for the year ended June 30, 2024.

ASHF has a contract with the Department of Health and Human Services to provide mental health and treatment services in the North Lawndale community and to existing clients. Revenues from this contract were $1,999,593 for the year ended June 30, 2024.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 15 – Employee Benefit Plan

The ASHF benefit plan provides for discretionary matching contributions, not to exceed 6% of each participant's eligible compensation per payroll period. The plan also provides for an annual profit-sharing contribution to be made at the discretion of ASHF for the benefit of all eligible employees who have worked at least 1,000 hours during the plan year. The plan is offered to those Eligible employees defined as those who are 21 years of age or older, who have completed three months or more of service, and who are not members of a union. Matching contributions of $190,757 were made for the year ended June 30, 2024. No annual profit-sharing contributions were elected for the year.

Note 16 – Contributed Nonfinancial Assets

The contributed nonfinancial assets primarily pertained to the Organization's interim housing and veteran's support programs. The categories of contributed nonfinancial assets were as follows for the year ended June 30, 2024:

	Amount
Food items	$ 786,138
Non-food items	266,144
Advertising services	13,875
Other	56,614
Total donated services and items	$ 1,122,771

Goods in-kind received by the Organization are recorded as in-kind contribution revenue with corresponding expenses. The Organization utilized the following valuation methods during the year ended June 30, 2024: (1) current price located on a publicly available website if the item is a match for the website item when donated; and (2) the current average price located on a publicly available website for similar items if a group of items are donated and the items range in price depending on model, size, etc.

Contributed services are recognized as in-kind revenues at their estimated fair value if they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated. The Organization receives contributed services that are reported using current rates for similar services. The Organization also receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the consolidated statements of activities for these fundraising and special projects services because the criteria for recognition have not been satisfied.

Note 17 – Concentrations

Two grantors accounted for approximately 22% of total support and revenue and 59% of total contracts receivable as of and for the year ended June 30, 2024.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 18 – Net Assets with Donor Restrictions

Net Assets with donor restrictions arise from the following types of restrictions by donors as of June 30, 2024:

	Amount
Purpose Restriction:	
Donated property	$ 750,000
Program related	394,564
Purpose and Time Restriction:	
Program related	11,000
	$ 1,155,564

Note 19 – Contingent Liabilities

ASHF is a defendant in various legal actions arising from the normal course of its operations. ASHF is also in current arbitration proceedings regarding the ASHVA and RRVH developments that include breaches of contract by both general contractors and a potential liability of its Owner's Representative KMA Development for breach of contract. On May 30, 2025, both cases were settled and amounts are included in accounts payable and accrued expenses and retainage payable.

Note 20 – Going Concern

The Organization has experienced continuous losses as of June 30, 2024, which raised concerns about its ability to continue as a going concern within one year from the date these consolidated financial statements were available to be issued.

Management has implemented specific measures to improve cash flows in the next twelve months from the issuance date.

Revenue increase and cost reduction - Multiple state agencies have granted the Company additional contracts in 2025, which resulted in approximately $500,000 of additional revenue. Additionally, the Foundation has been awarded a housing support contract with Cook County Health that will begin in August 2025. The contract will utilize approximately $340,000 of underutilized staff and an additional $450,000 in indirect cost coverage for existing operations. The remainder of the contract will be for direct reimbursable services, rentals and equipment purchases. The contract is a three- year contract for a total of $10.7 million.

Landscaping operations have been restructured and pricing increases have been implemented recently, across all categories of service contracts. The increased pricing and cost control adjustments have resulted in landscaping operations transitioning from a loss-generating job training program to positive, cash flow generating operations.

Overall Organization-wide, cost-control measures and operational efficiencies have also been implemented, reducing discretionary spending and further improving cash flows.

These measures are expected to improve liquidity and support the Organization's ability to meet its obligations as they become due. Management believes these actions significantly mitigate the risks previously identified. The consolidated financial statements have been prepared assuming the Organization will continue as a going concern. However, they do not include any adjustments that might result from the resolution of these uncertainties.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21 – Prior Year Adjustment

The Organization discovered an error improperly classifying a capital contribution of $2,386,586 between controlling interest net assets and noncontrolling interest net assets as of June 30, 2023. In 2024, management recorded a prior year adjustment to reflect the reclassification of this capital contribution. This adjustment did not change prior reported total net assets. Such adjustment is summarized as follows:

Consolidated Statement of Activities for the Year Ended June 30, 2024	Controlling interest net assets	Noncontrolling interest net assets	Total net assets
Net assets, beginning of year, as originally stated	$ 17,018,576	$ 4,828,412	$ 21,846,988
Prior year adjustment			
To correct classification	(2,386,586)	2,386,586	-
Net assets, beginning of year, as revised	$ 14,631,990	$ 7,214,998	$ 21,846,998

Note 22 – Subsequent Events

Management has evaluated all known subsequent events from June 30, 2024 through June 27, 2025, the date the accompanying consolidated financial statements were available to be issued, and is not aware of any material subsequent events occurring during this period that have not been disclosed in the notes to the consolidated financial statements.

SUPPLEMENTARY INFORMATION

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2024

ASSETS

	ASHF	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	Melrose Park Veterans Housing LP (MPVH)	Harborquest (HQ)	RRVH	ASH V	ASH IV
Current Assets								
Cash and cash equivalents	$ (27,914)	$ 1,064	$ 2,755	$ 103,591	$ 615	$ 19,791	$ -	$ -
Restricted cash	-	-	-	315,656	-	2,598,834	-	-
Contributions receivable-net	11,000	-	-	25,515	-	60,910	-	-
Contracts receivable-net	2,823,785	-	-	-	(8,334)	-	-	-
Due from related parties	21,972,829	99,000	24,508	574,462	1,173,075	40,885	-	-
Prepaid expenses	59,803	-	-	-	-	2,100	-	-
Total current assets	24,839,503	100,064	27,263	1,019,224	1,165,356	2,722,520	-	-
Property and equipment								
Land	1,041,407	-	-	750,100	-	1,823,955	-	-
Buildings and improvements	14,504,538	-	-	9,986,615	-	17,989,698	-	-
Furniture, fixtures, and equipment	911,205	-	-	1,078,599	2,425	486,204	-	-
Computer software	-	-	-	-	5,600	-	-	-
Construction in progress	1,500	-	-	-	-	-	-	-
	16,458,650	-	-	11,815,314	8,025	20,299,857	-	-
Less: Accumulated depreciation and amortization	(5,423,199)	-	-	(4,138,455)	(8,025)	(2,067,368)	-	-
Net property and equipment	11,035,451	-	-	7,676,859	-	18,232,489	-	-
Other assets								
Other assets	-	-	-	53,006	13,176	101,974	-	-
Interest rate swap	278,440	-	-	-	-	-	-	-
Right-of-use assets	663,879	-	-	-	-	-	-	-
	942,319	-	-	53,006	13,176	101,974	-	-
Investment in partnerships	2,922,374	1,661,403	749,711	-	-	-	(193)	(160)
Total other assets	3,864,693	1,661,403	749,711	53,006	13,176	101,974	(193)	(160)
Total assets	$ 39,739,647	$ 1,761,467	$ 776,974	$ 8,749,089	$ 1,178,532	$ 21,056,983	$ (193)	$ (160)

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2024

ASSETS

	ASH VI	ASH VA Apts	ASH Hobart	Subtotal	Eliminations	2024
Current Assets						
Cash and cash equivalents	$ -	$ 32,770	$ -	$ 132,672	$ -	$ 132,672
Restricted cash	-	420,225	-	3,334,715	-	3,334,715
Contributions receivable-net	-	2,121	-	99,546	-	99,546
Contracts receivable-net	-	-	-	2,815,451	-	2,815,451
Due from related parties	-	102,497	-	23,987,256	(20,546,226)	3,441,030
Prepaid expenses	-	13,100	-	75,003	-	75,003
Total current assets	-	570,713	-	30,444,643	(20,546,226)	9,898,417
Property and equipment						
Land	-	300,000	-	3,915,462	-	3,915,462
Buildings and improvements	-	10,966,626	-	53,447,477	(1,997,067)	51,450,410
Furniture, fixtures, and equipment	-	2,341,803	-	4,820,236	(218,166)	4,602,070
Computer software	-	-	-	5,600	-	5,600
Construction in progress	-	2,450	-	3,950	-	3,950
	-	13,610,879	-	62,192,725	(2,215,233)	59,977,492
Less: Accumulated depreciation and amortization	-	(2,815,515)	-	(14,452,562)	445,302	(14,007,260)
Net property and equipment	-	10,795,364	-	47,740,163	(1,769,931)	45,970,232
Other assets						
Other assets	-	42,084	-	210,240	-	210,240
Interest rate swap	-	-	-	278,440	-	278,440
Right-of-use assets	-	-	-	663,879	-	663,879
	-	42,084	-	1,152,559	-	1,152,559
Investment in partnerships	391,311	-	391,311	6,115,757	(4,454,515)	1,661,242
Total other assets	391,311	42,084	391,311	7,268,316	(4,454,515)	2,813,801
Total assets	$ 391,311	$ 11,408,161	$ 391,311	$ 85,453,122	$ (26,770,672)	$ 58,682,450

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2024

LIABILITIES AND NET ASSETS

	ASHF	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	Melrose Park Veterans Housing LP (MPVH)	Harborquest (HQ)	RRVH	ASH V	ASH IV	ASH VI
Current liabilities									
Line of credit	$ 1,438,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Current portion of long-term debt	548,524	-	-	-	-	7,132,953	-	-	-
Current portion of finance leases	160,875	-	-	-	-	-	-	-	-
Accounts payable and accrued expenses	2,498,757	-	-	35,169	55,496	601,786	-	-	-
Accrued interest	-	-	-	17,760	-	-	-	-	-
Current portion of deferred grant revenue	2,027,451	-	-	-	-	92,686	-	-	-
Other current liabilities	-	-	-	15,695	-	24,727	-	-	-
Retainage payable	-	-	-	-	-	704,903	-	-	-
Due to related parties	9,605,028	186	24,686	664,402	810,265	8,876,829	5,258	8,839	1,039
Total current liabilities	16,278,635	186	24,686	733,026	865,761	17,433,884	5,258	8,839	1,039
Long-term liabilities									
Long-term debt, net of current portion	7,037,520	-	-	1,462,978	-	1,805,378	-	-	-
Finance leases, net of current portion	486,518	-	-	-	-	-	-	-	-
Deferred grant revenue, net of current portion	7,240,904	-	-	-	-	1,381,727	-	-	-
Total long-term liabilities	14,764,942	-	-	1,462,978	-	3,187,105	-	-	-
Total liabilities	31,043,577	186	24,686	2,196,004	865,761	20,620,989	5,258	8,839	1,039
Net Assets (Deficit)									
Controlling interest	8,696,070	1,761,281	751,632	749,704	312,771	(271)	(5,451)	(8,999)	390,272
Noncontrolling interest	-	-	656	5,803,381	-	436,265	-	-	-
Total net assets (deficit)	8,696,070	1,761,281	752,288	6,553,085	312,771	435,994	(5,451)	(8,999)	390,272
Total liabilities and net assets	$ 39,739,647	$ 1,761,467	$ 776,974	$ 8,749,089	$ 1,178,532	$ 21,056,983	$ (193)	$ (160)	$ 391,311

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2024

LIABILITIES AND NET ASSETS

	ASH VA Apts	ASH Hobart	Subtotal	Eliminations	2024
Current liabilities					
Line of credit	$ -	$ -	$ 1,438,000	$ -	$ 1,438,000
Current portion of long-term debt	-	-	7,681,477	-	7,681,477
Current portion of finance leases	-	-	160,875	-	160,875
Accounts payable and accrued expenses	583,787	-	3,774,995	-	3,774,995
Accrued interest	-	-	17,760	-	17,760
Current portion of deferred grant revenue	-	-	2,120,137	-	2,120,137
Other current liabilities	543,026	-	583,448	-	583,448
Retainage payable	554,326		1,259,229	-	1,259,229
Due to related parties	9,874,432	2,939	29,873,903	(20,546,226)	9,327,677
Total current liabilities	11,555,571	2,939	46,909,824	(20,546,226)	26,363,598
Long-term liabilities					
Long-term debt, net of current portion	-	-	10,305,876	-	10,305,876
Finance leases, net of current portion	-	-	486,518	-	486,518
Deferred grant revenue, net of current portion	-	-	8,622,631	-	8,622,631
Total long-term liabilities	-	-	19,415,025	-	19,415,025
Total liabilities	11,555,571	2,939	66,324,849	(20,546,226)	45,778,623
Net Assets (Deficit)					
Controlling interest	391,319	388,372	13,426,700	(6,224,446)	7,202,254
Noncontrolling interest	(538,729)	-	5,701,573	-	5,701,573
Total net assets (deficit)	(147,410)	388,372	19,128,273	(6,224,446)	12,903,827
Total liabilities and net assets	$ 11,408,161	$ 391,311	$ 85,453,122	$ (26,770,672)	$ 58,682,450

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

	ASHF	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	Melrose Park Veterans Housing LP (MPVH)	Harborquest (HQ)	RRVH	ASH V	ASH IV	ASH VI
Revenue and support									
Government grants	$ 9,066,097	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Government contracts	496,575	-	-	-	-	-	-	-	-
Social enterprise revenue	4,652,903	-	-	-	2,268,923	-	-	-	-
Lease income	1,441,571	-	-	436,111	-	1,116,962	-	-	-
Contributions of cash and other financial assets	1,955,364	-	-	-	40,000	-	-	-	-
Contributions of nonfinancial assets	1,122,771	-	-	-	-	-	-	-	-
Other revenue	781,254	11,860	(12)	93,516	-	2,927	(173)	-	(60)
Total support and revenue	**19,516,535**	**11,860**	**(12)**	**529,627**	**2,308,923**	**1,119,889**	**(173)**	**-**	**(60)**
Operating expenses									
Program services	20,677,170	16,382	1,392	601,013	2,350,254	2,598,775	-	1,850	189
Management and general	2,270,158	-	-	-	-	-	-	-	-
Fundraising	576,842	-	-	-	-	-	-	-	-
Total operating expenses	23,524,170	16,382	1,392	601,013	2,350,254	2,598,775	-	1,850	189
Nonoperating activities									
Change in fair value of interest rate swap	3,841	-	-	-	-	-	-	-	-
Change in net assets before noncontrolling interest	(4,003,794)	(4,522)	(1,404)	(71,386)	(41,331)	(1,478,886)	(173)	(1,850)	(249)
Change in net assets attributable to noncontrolling interest	-	-	421	71,379	-	1,478,738	-	-	-
Change in net assets attributable to controlling interest	(4,003,794)	(4,522)	(983)	(7)	(41,331)	(148)	(173)	(1,850)	(249)
Controlling interest net assets (deficit) - Beginning of year (adjusted)	12,699,864	1,765,803	752,615	749,711	354,102	(123)	(5,278)	(7,149)	390,521
Controlling interest net assets (deficit) - End of year	$ 8,696,070	$ 1,761,281	$ 751,632	$ 749,704	$ 312,771	$ (271)	$ (5,451)	$ (8,999)	$ 390,272
Noncontrolling interest net assets - Beginning of year (adjusted)	$ -	$ -	$ 1,077	$ 5,874,760	$ -	$ 562,683	$ -	$ -	$ -
Contributions	-	-	-	-	-	1,352,320	-	-	-
Change in net assets attributable to noncontrolling interest	-	-	(421)	(71,379)	-	(1,478,738)	-	-	-
Noncontrolling interest net assets - End of year	$ -	$ -	$ 656	$ 5,803,381	$ -	$ 436,265	$ -	$ -	$ -
Total net assets (deficit) - End of year	$ 8,696,070	$ 1,761,281	$ 752,288	$ 6,553,085	$ 312,771	$ 435,994	$ (5,451)	$ (8,999)	$ 390,272

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

	ASH VA Apts	ASH Hobart	Subtotal	Eliminations	Total
Revenue and support					
Government grants	$ -	$ -	$ 9,066,097	$ -	$ 9,066,097
Government contracts	-	-	496,575	-	496,575
Social enterprise revenue	-	-	6,921,826	(1,721,662)	5,200,164
Lease income	837,666	-	3,832,310	(55,827)	3,776,483
Contributions of cash and other financial assets	-	-	1,995,364	-	1,995,364
Contributions of nonfinancial assets	-	-	1,122,771		1,122,771
Other revenue	10,214	(60)	899,466	(371,298)	528,168
Total support and revenue	**847,880**	**(60)**	**24,334,409**	**(2,148,787)**	**22,185,622**
Operating expenses					
Program services	1,837,867	1,164	28,086,056	(2,851,874)	25,234,182
Management and general	-	-	2,270,158	(1,500)	2,268,658
Fundraising	-	-	576,842	(55,985)	520,857
Total operating expenses	1,837,867	1,164	30,933,056	(2,909,359)	28,023,697
Nonoperating activities					
Change in fair value of interest rate swap	-	-	3,841	-	3,841
Change in net assets before noncontrolling interest	(989,987)	(1,224)	(6,594,806)	760,572	(5,834,234)
Change in net assets attributable to noncontrolling interest	989,888	-	2,540,426	-	2,540,426
Change in net assets attributable to controlling interest	(99)	(1,224)	(4,054,380)	760,572	(3,293,808)
Controlling interest net assets (deficit) - Beginning of year (adjusted)	391,418	389,596	17,481,080	(6,985,018)	10,496,062
Controlling interest net assets (deficit) - End of year	$ 391,319	$ 388,372	$ 13,426,700	$ (6,224,446)	$ 7,202,254
Noncontrolling interest net assets - Beginning of year (adjusted)	$ 451,159	$ -	$ 6,889,679	$ -	$ 6,889,679
Contributions	-	-	1,352,320	-	1,352,320
Change in net assets attributable to noncontrolling interest	(989,888)	-	(2,540,426)	-	(2,540,426)
Noncontrolling interest net assets - End of year	$ (538,729)	$ -	$ 5,701,573	$ -	$ 5,701,573
Total net assets (deficit) - End of year	$ (147,410)	$ 388,372	$ 19,128,273	$ (6,224,446)	$ 12,903,827

A SAFE HAVEN FOUNDATION

CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

Federal Grantor Pass- Through Grantor/Program Title	Annual Contribution Contract #	Assistance Listing Number	Federal Awards Expended
U.S. Department of Housing and Urban Development			
Family Wellness Center	IL0121L5T102215	14.267	$ 350,676
Westside Housing and Independent Living	IL0236L5T102215	14.267	216,425
The Studios (1801)	IL0222L5T102215	14.267	392,459
600 South	IL0095L5T102215	14.267	32,821
Shelter Plus Care	IL0371L5T102214	14.267	428,508
Shelter Plus Care	IL0371L5T102315	14.267	85,633
			1,506,522
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing	174502-233641	14.231	237,496
Interim Housing	174502-272252	14.231	178,298
			415,794
Passed-through All Chicago			
Rapid Re-Housing	134986	14.231	41,025
Rapid Re-Housing	Rapid Re-Housing ESG	14.231	48,100
			89,125
			504,919
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing	174499-231660	14.218	251,363
Interim Housing	174499-271217	14.218	231,992
Transitional Job Program	177426-219334	14.218	28,145
Transitional Job Program	177426-260524	14.218	14,141
			525,641
Passed Through from the Greater Chicago Food Depository			
Community Development Block Grants (CDHS-PROD)		14.218	21,732
			547,373
Total U.S. Department of Housing and Urban Development			**2,558,814**
U.S. Department of Agriculture			
Passed Through from the Greater Chicago Food Depository			
Emergency Food Assistance Program (USDA Commodities)		10.569	491,031
Total U.S. Department of Agriculture			**491,031**
U.S. Department of Health and Human Services			
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing	174500-233642	93.569	349,127
Interim Housing	174500-271564	93.569	191,667
			540,794
Passed-through Substance Abuse and Mental Health Services Administration			
SAMHSA FY2023 Congressional Directive Spending Projects	1H79FG000983-01	93.493	**1,999,593**
Passed Through from the Greater Chicago Food Depository			
Farm to Food Bank		93.667	**10,314**
Total U.S. Department of Health and Human Services			**2,550,701**

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

Federal Grantor Pass- Through Grantor/Program Title	Annual Contribution Contract #	Assistance Listing Number	Federal Awards Expended
U.S. Department of Homeland Security			
Passed Through from the Greater Chicago Food Depository			
Emergency Food and Shelter Program (FEMA)		97.024	$ 9,502
Total U.S. Department of Homeland Security			**9,502**
U.S. Department of Education			
Passed Through from the Illinois Community College Board			
Adult Education and Literacy	AE-50802-24	84.002	85,792
Total U.S. Department of Education			**85,792**
U.S. Department of Department of the Treasury			
Passed Through from All Chicago			
Rapid Re-Housing	188624	21.027	259,158
Rapid Re-Housing ARPA	Rapid Re-Housing ARPA	21.027	345,231
			604,389
Passed Through from Illinois Department of Human Services			
ARPA ADD ONS	FCSAH06311	21.027	169,497
Housing is Recovery	45CCB04548	21.027	468,230
			637,727
Passed Through from Illinois Department of Commerce & Economic Opportunity			
JTED	21-417001	21.027	181,780
Passed Through from Cook County Department of Veterans Affairs			
Honor Grant		21.027	51,082
Total U.S. Department of Department of the Treasury			**1,474,978**
U.S. Department of Department of Veterans Affairs			
VA Supportive Services for Veteran Families Program (SSVF)	24-IL-259	64.033	666,007
Total U.S. Department of Department of Veterans Affairs			**666,007**
Total Federal Program Expenditures			**$ 7,836,825**

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 – Basis of Presentation

The accompanying consolidated schedule of expenditures of federal awards (the "Schedule") of A Safe Haven Foundation ("ASHF") is presented on the same basis of accounting as ASHF's consolidated financial statements. ASHF uses the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements. Therefore, some amounts presented in the Schedule may differ from the amounts presented in, or used in the preparation of the basic consolidated financial statements.

Note 2 – Program Costs

Expenditures represent only the federally funded portions of ASHF programs. Entire program costs, including the portions funded by ASHF, may be more than shown.

Note 3 – Non-cash Awards

The amount reported for the Emergency Food Assistance Program and Community Development Block Grants on the Schedule is the value of food distributed and priced by the Greater Chicago Food Depository during the current year.

Note 4 – Sub-recipients

ASHF provided no awards to sub-recipients during the year ended June 30, 2024 with respect to the federal awards reported on the Schedule.

Note 5 – Non-cash Assistance from Federal Loans and Insurance

ASHF had no insurance provided under federal awards during the year ended June 30, 2024 or any federal loans or federal loan guarantees outstanding at June 30, 2024.

Note 6 – Indirect Cost Rate

ASHF did not elect to use the de minimis 10% rate for allocating indirect costs.

A SAFE HAVEN FOUNDATION

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	Program	Management and General	Fundraising	Total
Salaries and related expenses	$ 10,392,423	$ 693,363	$ 502,035	$ 11,587,821
Interest	24,378	616,872	-	641,250
Program food clothing and personal maintenance	3,119,540	6,157	2,692	3,128,389
Utilities, supplies and maintenance	2,375,102	7,017	447	2,382,566
General insurance	202,634	56,314	-	258,948
Professional fees / contract services	1,639,580	236,500	23,720	1,899,800
Office expenses	303,649	241,299	19,604	564,552
In-Kind expense	1,108,896	-	13,875	1,122,771
Miscellaneous	872,725	12,726	357	885,808
Real estate tax expense	77,083	15,874	-	92,957
Special events	-	665	8,608	9,273
Telephone	33,799	12,503	2,271	48,573
Postage/printing	657	4,577	2,890	8,124
Transportation and travel	260,303	24,548	343	285,194
Total expenses before depreciation and amortization	20,410,769	1,928,415	576,842	22,916,026
Depreciation	146,994	311,557	-	458,551
Amortization	119,407	30,186	-	149,593
	$ 20,677,170	$ 2,270,158	$ 576,842	$ 23,524,170

The information presented above is stand alone, unconsolidated financial information of A Safe Haven Foundation.

See Independent Auditor's Report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
A Safe Haven Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of A Safe Haven Foundation ("ASHF"), which comprise the consolidated statement of financial position as of June 30, 2024, 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, and have issued our report thereon dated June 27, 2025.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the consolidated financial statements, we considered ASHF's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of ASHF's internal control. Accordingly, we do not express an opinion on the effectiveness of ASHF's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024.001, that we considered to be a significant deficiency.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether ASHF's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

ASHF's Responses to Findings
Government Auditing Standards requires the auditor to perform limited procedures on ASHF's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. ASHF's response was not subjected to the other auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FGMK, LLC
Bannockburn, Illinois
June 27, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
A Safe Haven Foundation

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited A Safe Haven Foundation ("ASHF")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of ASHF's major federal programs for the year ended June 30, 2024. ASHF's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, ASHF complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of ASHF and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of ASHF's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the ASHF's federal programs.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on ASHF's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the ASHF's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 ASHF's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ASHF's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of ASHF's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

FGMK, LLC

Bannockburn, Illinois
June 27, 2025

A SAFE HAVEN FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditors' Results

Financial Statements

The type of report issued: **Unmodified**

Internal control over financial reporting:

Material weakness(es) identified? _____ **Yes** __X_ **No**

Significant deficiencies identified? __X_ **Yes** _____ **None reported**

Noncompliance material to financial statements noted?
_____ **Yes** __X_ **None reported**

Federal Awards

Internal control over major programs:

Material weakness (es) identified? _____ **Yes** __X_ **No**

Significant deficiencies identified? _____ **Yes** __X_ **No**

Type of auditor's report issued on compliance for major programs: **Unmodified**

Any audit findings disclosed that are required to be reported in accordance with Code of Federal Regulations Section 200.516?
_____ **Yes** __X_ **No**

Identification of major programs:

CFDA Number	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.493	Congressional Directive Spending Projects

Dollar threshold used to distinguish between Type A and Type B programs: **$ 750,000**

Auditee qualified as low-risk auditee? ___ **Yes** __X__ **No**

A SAFE HAVEN FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section II – Financial Statement Findings

2024.001: Timeliness of account reconciliations and year-end closing procedures

Criteria: General ledger accounts and intercompany transactions should be closed and properly reconciled on a timely basis.

Condition and context: For the year end June 30, 2024, it was noted that multiple reconciliations of various accounts were not properly completed.

Cause: It resulted in multiple changes of final trial balances and delayed in completion of the financial reporting process.

Effect or potential effect: Lack of timely reconciliations can result in potential risk of misstatements or misappropriations.

Recommendation: Management should design and implement controls to complete account reconciliations on a timely basis.

Questioned costs: $0

Views of responsible officials: Management agrees with the auditor’s finding and will implement recommendation immediately.

Auditor’s evaluation of the views of responsible officials: Management’s response is appropriate to address the significant deficiency in the internal control that occurred.

Section III – Federal Award Findings and Questioned Costs

None noted

Section IV – Summary of Prior Year Audit Findings

None

Identifying opportunities.
Delivering solutions.

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

To the Board of Directors of
A Safe Haven Foundation

We have audited the consolidated financial statements of A Safe Haven Foundation as of and for the year ended June 30, 2024, and our report thereon dated June 27, 2025 which expressed an unmodified opinion appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying stand alone, unconsolidated financial information of A Safe Haven Foundation presented on pages 46 to 47, which is the responsibility of management, is presented for purposes of additional analysis, as well as to comply with certain reporting requirements of the Illinois Department of Human Services, and is not a required part of the basic consolidated financial statements. Such information was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. That 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, that information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

FGMK, LLC

Bannockburn, Illinois
June 27, 2025

Illinois Grant Accountability and Transparency Act
Grantee Portal - Audit Consolidated Year-End Financial Report

Close | Add a Program | Mark Complete | Comment

	CSFA #	Program Name	State	Federal	Match	Total
View	420-27-2731	Job Training Economic Development Program (ARPA)	0.00	181,779.99		181,779.99
View	444-22-3139	225 Housing is Recovery	0.00	468,229.99		468,229.99
View	444-80-0656	Emergency and Transitional Housing Program	107,143.00	0.00		107,143.00
View	444-80-0658	Supportive Housing Program	476,889.00	0.00		476,889.00
View	444-80-2705	Supportive Housing ARPA	0.00	169,496.62		169,496.62
View	497-00-1177	Veterans Scratch-Off Lottery Ticket Program	94,495.50	0.00		94,495.50
View	546-00-2378	RESTORE, REINVEST, AND RENEW (R3)	381,619.35	0.00		381,619.35
View	684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	151,477.94	85,792.39		237,270.33
View	684-01-1670	Innovative Bridge and	252,108.81	0.00		252,108.81
		Totals:	1,463,733.60	7,836,825.24	0.00	9,300,558.84

		Transition Grant - State				
Edit		All other federal expenditures		6,931,526.25		6,931,526.25
		Totals:	1,463,733.60	7,836,825.24	0.00	9,300,558.84

Please note the following:

- The CYEFR is pre-populated with programs based on existing State-issued awards in the CSFA. These programs cannot be removed. If no spending occurred in a program, leave the amounts at zero.
- If a program is missing, please click the "Add a Program" button and select the State agency and State program from the dropdown list provided.
- Any items in red must be fixed before the CYEFR can be marked complete.
- When finished updating the CYEFR, click the "Mark Complete" button and continue to the next step.