

GOING FURTHER

LiveSafe RESOURCES, INC.

FINANCIAL REPORT

JUNE 30, 2024



CPAs & ADVISORS

LiveSafe RESOURCES, INC.

FINANCIAL REPORT

JUNE 30, 2024

LiveSafe RESOURCES, INC.
FINANCIAL REPORT
JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
LiveSafe Resources, Inc.
Marietta, Georgia

Report of the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **LiveSafe Resources, Inc.** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LiveSafe Resources, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits 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 Financial Statements section of our report. We are required to be independent of LiveSafe Resources, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LiveSafe Resources, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LiveSafe Resources, Inc.'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 financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of State Awards is presented for purposes of additional analysis and is also not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 March 27, 2025, on our consideration of LiveSafe Resources, Inc.'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 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 LiveSafe Resources, Inc.'s internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 27, 2025

LiveSafe RESOURCES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

| <u>Assets</u> | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| Current assets | | |
| Cash and cash equivalents | \$ 129,427 | \$ 538,603 |
| Investments | 710,798 | 6,755 |
| Grants receivable | 791,209 | 743,150 |
| Accounts receivable | - | 377 |
| Prepaid expenses | 5,549 | 10,164 |
| Unemployment service trust | 22,895 | 21,891 |
| Total current assets | <u>1,659,878</u> | <u>1,320,940</u> |
| Property and equipment | | |
| Land | 23,604 | 23,604 |
| Building and improvements | 7,572,328 | 7,541,348 |
| Furniture and equipment | 1,001,999 | 829,715 |
| Vehicles | - | 19,061 |
| Total property and equipment, at cost | <u>8,597,931</u> | <u>8,413,728</u> |
| Less accumulated depreciation | <u>4,708,284</u> | <u>4,426,083</u> |
| Total property and equipment, net | <u>3,889,647</u> | <u>3,987,645</u> |
| Total assets | <u>\$ 5,549,525</u> | <u>\$ 5,308,585</u> |
| <u>Liabilities and Net Assets</u> | | |
| Current liabilities | | |
| Accounts payable | \$ 127,008 | \$ 99,795 |
| Accrued expenses | 172,358 | 113,592 |
| Operating line of credit | 507,214 | 284,757 |
| Note payable | 18,460 | 66,488 |
| Deferred revenue | 5,000 | 29,600 |
| Total current liabilities | <u>830,040</u> | <u>594,232</u> |
| Noncurrent liabilities | | |
| Note payable, net of debt issuance costs | <u>639,497</u> | <u>592,394</u> |
| Total noncurrent liabilities | <u>639,497</u> | <u>592,394</u> |
| Total liabilities | <u>1,469,537</u> | <u>1,186,626</u> |
| Net assets | | |
| Without donor restrictions | 3,946,698 | 4,085,291 |
| With donor restrictions | 133,290 | 36,668 |
| Total net assets | <u>4,079,988</u> | <u>4,121,959</u> |
| Total liabilities and net assets | <u>\$ 5,549,525</u> | <u>\$ 5,308,585</u> |

See Notes to Financial Statements.

LiveSafe RESOURCES, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | 2024 | | | 2023 | | |
|--|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
| | Without donor restrictions | With donor restrictions | Total | Without donor restrictions | With donor restrictions | Total |
| Support and Revenue | | | | | | |
| Program revenue | \$ 164,948 | \$ - | \$ 164,948 | \$ 185,017 | \$ - | \$ 185,017 |
| Grants revenue | 3,291,809 | - | 3,291,809 | 2,595,713 | - | 2,595,713 |
| Contributions | 171,260 | 128,707 | 299,967 | 230,714 | 44,884 | 275,598 |
| In-kind contributions | 98,232 | - | 98,232 | 39,007 | - | 39,007 |
| Special events, net of expenses \$226,378 for 2024 and \$139,241 for 2023, respectively | 171,348 | - | 171,348 | 195,545 | - | 195,545 |
| Investment gain (loss) | 27,837 | - | 27,837 | (791) | - | (791) |
| Gain on retirement of property and equipment | 5,136 | - | 5,136 | - | - | - |
| Employee retention credit revenue | - | - | - | 385,185 | - | 385,185 |
| Other income | 2,250 | - | 2,250 | - | - | - |
| Net assets released from restrictions | 32,085 | (32,085) | - | 77,446 | (77,446) | - |
| Total support and revenue | <u>3,964,905</u> | <u>96,622</u> | <u>4,061,527</u> | <u>3,707,836</u> | <u>(32,562)</u> | <u>3,675,274</u> |
| Expenses | | | | | | |
| Program services | 3,452,681 | - | 3,452,681 | 2,946,614 | - | 2,946,614 |
| Supporting services | | | | | | |
| Management and general | 459,712 | - | 459,712 | 535,512 | - | 535,512 |
| Fundraising and development | 191,105 | - | 191,105 | 246,307 | - | 246,307 |
| Total expenses | <u>4,103,498</u> | <u>-</u> | <u>4,103,498</u> | <u>3,728,433</u> | <u>-</u> | <u>3,728,433</u> |
| Change in Net Assets | (138,593) | 96,622 | (41,971) | (20,597) | (32,562) | (53,159) |
| Net Assets | | | | | | |
| Beginning of year | <u>4,085,291</u> | <u>36,668</u> | <u>4,121,959</u> | <u>4,105,888</u> | <u>69,230</u> | <u>4,175,118</u> |
| Net Assets | | | | | | |
| End of year | <u>\$ 3,946,698</u> | <u>\$ 133,290</u> | <u>\$ 4,079,988</u> | <u>\$ 4,085,291</u> | <u>\$ 36,668</u> | <u>\$ 4,121,959</u> |

See Notes to Financial Statements.

LiveSafe RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

| | Program Services | Supporting Services | | Total Expenses |
|---|-----------------------------|-----------------------------------|--|---------------------------|
| | | Management and General | Fundraising and Development | |
| Salaries and wages | \$ 1,682,074 | \$ 155,946 | \$ 113,536 | \$ 1,951,556 |
| Payroll taxes | 121,545 | 11,093 | 6,029 | 138,667 |
| Fringe benefits | 231,126 | 22,777 | 29,568 | 283,471 |
| Professional services | 332,719 | 73,438 | 1,269 | 407,426 |
| Client assistance | 378,404 | - | - | 378,404 |
| Utilities | 75,277 | 7,675 | 321 | 83,273 |
| Repairs and maintenance | 108,517 | 10,638 | 443 | 119,598 |
| Supplies and equipment | 102,774 | 7,896 | 2,238 | 112,908 |
| Conferences and training | 9,676 | 6,827 | 1,768 | 18,271 |
| Insurance | 55,276 | 5,896 | 246 | 61,418 |
| Information technology | 22,095 | 3,844 | 9,591 | 35,530 |
| Bank charges/interest | 12,855 | 101,706 | 60 | 114,621 |
| Telephone | 26,096 | 2,402 | 1,843 | 30,341 |
| Miscellaneous | 211 | 5,641 | 13 | 5,865 |
| Printing and publications | 790 | 419 | 3,422 | 4,631 |
| Program aids and food | 2,366 | 2,479 | 4,538 | 9,383 |
| Travel | 2,685 | - | - | 2,685 |
| Local transportation | 6,587 | 117 | 629 | 7,333 |
| Occupancy | 6,567 | 2,086 | 19 | 8,672 |
| Membership dues and subscriptions | 2,000 | 7,353 | 1,625 | 10,978 |
| Advertising | 1,602 | 1,000 | 12,054 | 14,656 |
| Postage | 303 | 1,558 | 688 | 2,549 |
| Total expenses before depreciation | 3,181,545 | 430,791 | 189,900 | 3,802,236 |
| Depreciation | 271,136 | 28,921 | 1,205 | 301,262 |
| Total expenses | \$ 3,452,681 | \$ 459,712 | \$ 191,105 | \$ 4,103,498 |

See Notes to Financial Statements.

LiveSafe RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

| | Program Services | Supporting Services | | Total Expenses |
|---|---------------------|---------------------------|--------------------------------|---------------------|
| | | Management and General | Fundraising and Development | |
| Salaries and wages | \$ 1,314,043 | \$ 226,759 | \$ 184,879 | \$ 1,725,681 |
| Payroll taxes | 97,501 | 22,273 | 12,949 | 132,723 |
| Fringe benefits | 179,091 | 3,122 | 24,100 | 206,313 |
| Professional services | 318,792 | 57,252 | 875 | 376,919 |
| Client assistance | 413,485 | - | - | 413,485 |
| Utilities | 81,519 | 8,054 | 332 | 89,905 |
| Repairs and maintenance | 87,041 | 8,655 | 147 | 95,843 |
| Supplies and equipment | 108,098 | 7,552 | 1,379 | 117,029 |
| Conferences and training | 764 | 7,035 | 112 | 7,911 |
| Insurance | 27,613 | 38,084 | 2,281 | 67,978 |
| Information technology | 6,029 | 2,386 | 6,915 | 15,330 |
| Bank charges/interest | 7,470 | 80,225 | - | 87,695 |
| Telephone | 23,265 | 919 | 1,098 | 25,282 |
| Miscellaneous | 634 | 1,523 | - | 2,157 |
| Printing and publications | 1,105 | 333 | 3,372 | 4,810 |
| Program aids and food | 3,193 | 2,771 | 1,042 | 7,006 |
| Travel | 7,261 | - | - | 7,261 |
| Local transportation | 8,527 | 98 | 479 | 9,104 |
| Occupancy | 4,890 | 7,030 | 20 | 11,940 |
| Membership dues and subscriptions | 449 | 13,503 | 505 | 14,457 |
| Advertising | 988 | 14,593 | 3,289 | 18,870 |
| Postage | 209 | 1,924 | 1,396 | 3,529 |
| Bad debts | - | 3,000 | - | 3,000 |
| Total expenses before depreciation | 2,691,967 | 507,091 | 245,170 | 3,444,228 |
| Depreciation | 254,647 | 28,421 | 1,137 | 284,205 |
| Total expenses | \$ 2,946,614 | \$ 535,512 | \$ 246,307 | \$ 3,728,433 |

See Notes to Financial Statements.

LiveSafe RESOURCES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|--|-------------------|-------------------|
| Change in net assets | \$ (41,971) | \$ (53,159) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities | | |
| Depreciation | 301,262 | 284,205 |
| Interest expense on loan cost | 14,192 | 8,342 |
| Realized and unrealized (gain) losses on investments | (10,742) | 7,230 |
| Gain on retirement of property and equipment | (5,136) | - |
| Changes in assets and liabilities | | |
| Decrease in accounts receivable | 377 | 1,630 |
| (Increase) in grants receivable | (48,059) | (450,019) |
| Decrease in pledges receivable | - | 8,500 |
| Decrease in prepaid expenses | 4,615 | 8,230 |
| Increase (decrease) in accounts payable | 27,213 | (38,837) |
| (Decrease) increase in deferred revenue | (24,600) | 10,600 |
| Increase in accrued expenses | 58,766 | 36,147 |
| Total adjustments | <u>317,888</u> | <u>(123,972)</u> |
| Net cash provided by (used in) operating activities | <u>275,917</u> | <u>(177,131)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (203,264) | (55,550) |
| Proceeds from sale of property | 5,136 | - |
| Purchase of investment securities | (694,305) | (6,676) |
| Net cash (used in) investing activities | <u>(892,433)</u> | <u>(62,226)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Principal payments on lines of credit and loans payable | (436,960) | (1,207,113) |
| Payments for debt issuance costs | - | (20,410) |
| Proceeds from lines of credit and loans payable | 644,300 | 1,248,974 |
| Net cash provided by financing activities | <u>207,340</u> | <u>21,451</u> |
| NET (DECREASE) IN CASH AND CASH EQUIVALENTS | (409,176) | (217,906) |
| CASH AND CASH EQUIVALENTS | | |
| Beginning of year | <u>538,603</u> | <u>756,509</u> |
| CASH AND CASH EQUIVALENTS | | |
| End of year | <u>\$ 129,427</u> | <u>\$ 538,603</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION: | | |
| CASH PAID DURING THE YEAR: | | |
| Interest | <u>\$ 89,299</u> | <u>\$ 73,781</u> |

See Notes to Financial Statements.

LiveSafe RESOURCES, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Nature of Activities

LiveSafe Resources, Inc. (the "Organization") was originally founded in 1917 as the YWCA of Northwest Georgia, an associate chapter of the Young Women's Christian Association of the United States (YWCA), a national organization established to serve communities by helping women achieve self-sufficient and productive lives for themselves and their families.

After many years of serving the Cobb community with a variety of recreational and family-supportive programs, the Organization determined that its highest use to the community would be to refine the mission and focus strictly on its services for victims of abuse and assault. The Board of Directors approved disaffiliation from the YWCA effective January 15, 2017, and LiveSafe Resources became an independent 501(c)(3) organization, ending some programs and consolidating others. Since that time, the Organization has focused on providing and expanding programs and services for victims of domestic violence, and sexual assault, becoming one of the region's foremost experts on victim needs related to sexual violence.

Programs

Services include a 24-hour hotline and 40-bed, emergency shelter for victims and their dependent children, providing immediate safety, counseling, medical, and basic needs. After immediate needs are met, temporary housing programs help victims regain their independence after fleeing abuse. Other services provided by the Organization include individual and group counseling, assistance in obtaining temporary protective orders, and specialized support for elderly or disabled victims. The sexual assault program is the designated provider of sexual assault services for Cobb, Paulding, and Cherokee counties, providing forensic examinations, plus advocacy and support for victims of sexual assault. All services to victims in need are provided free of charge.

The organization primarily serves residents of Cobb County but will serve any victim in need as space and capacity permit. Staff advocates work with victims in all situations, whether they are seeking to escape abuse and need information or help with a plan, have been abused or assaulted and need immediate help or shelter, or simply need assistance to deal with past trauma that continues to impact them, even years later.

Supporting Services

Fundraising and development activities include the generation of funds and/or in-kind resources for the Organization via relationships with corporate sponsors, grantors, and individual donors, as well as special events and fundraising campaigns. The Organization is primarily supported by public and private grants, program income, and voluntary contributions, and enjoys a strong partnership with the local healthcare system.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Organization follows the requirements of the Financial Accounting Standards Board (FASB)'s Financial Statements of Not-for-Profit Organizations. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

The Organization follows the policy of reporting donor-restricted contributions and investment income whose restrictions are met within the fiscal year as support without donor restrictions.

The guidance for *Accounting for Contributions Received and Contributions Made* requires that unconditional promises to give be recorded as receivables and revenues and to distinguish between contributions received for each net asset category. All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as with donor restriction support that increases that net asset class. When a restriction expires, the related donor-restricted net assets are reclassified to without donor restriction net assets and reported in the Statement of Activities as net assets released from restrictions.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting, and, accordingly, reflect all significant receivables, payables, and other liabilities.

The Organization presents its financial statements in accordance with the Financial Accounting Standards Board (FASB)'s Financial Statements of Not-for-Profit Entities presentation and disclosure guidance. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two categories of net assets, as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of cash held in checking and money market accounts. Cash balances are maintained with financial institutions which are insured by the Federal Deposit Insurance Corporation. Balances exceed insured amounts from time to time. Management does not feel that the Organization is exposed to any significant credit risk on these accounts.

Accounts, Grants, and Pledges Receivable

Accounts, grants, and pledges receivable represent amounts due from program participants, grants, and pledges. Provision for uncollectible accounts are provided by using the allowance method based on management estimates and past experience. As of June 30, 2024 and June 30, 2023 no allowance for credit losses deemed necessary.

Investments

The Organization carries its investments at fair value in accordance with *Accounting for Certain Investments Held by Not-For-Profit Organizations and Fair Value Measurements*. Unrealized gains and losses are recognized as income or loss in the accompanying statements of activities. Investment income, gains, and losses are reported in net assets without donor restrictions.

Property and Equipment

Property and equipment are recorded at historical cost or at fair market value at the date of gift, if donated. Depreciation is recognized based on the straight-line method over estimated useful lives ranging from 3 to 40 years. Major expenditures for improvements, which substantially increase useful lives, are capitalized. Maintenance, repairs, and minor renewals are expensed in the year incurred. When assets are retired or otherwise disposed of, the related gains or losses are included in income.

The Organization's policy is to capitalize property and equipment whose cost (fair value if donated) equals or exceeds \$2,500.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Administrative Costs

The Organization allocates administrative costs such as occupancy, office supplies, printing, and telephone to various programs based on total employee time per month for each program. Other office and general costs are charged to the programs based directly on the costs attributable to each program.

Compensated Vacation

Employees of the Organization earn a limited vested right for unused vacation time. An accrual has been made for vacation that employees have earned but not taken.

Revenue and Expense Recognition

Revenue is recognized when earned or received. Deferred revenue represents revenue received in advance for future events.

Reimbursements to be received under contracts with federal grantors are recorded as revenue when the related expenditures are incurred. Reimbursements are based on actual expenditures. Receivables represent amounts due for expenses incurred prior to year-end.

Contributions

Contributions, including unconditional promises to give, are recognized in revenue in the period the promise is made. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Contributed and discounted services are recorded by the Organization when these services create or enhance financial assets or require specialized skills, and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization receives donated services, clothing, furniture, and toys throughout the year. The fair value of the items has been estimated to be \$98,232 and \$39,007 for the years ended June 30, 2024 and 2023, respectively, and is included in contributions in the Statements of Activities.

Income Taxes

The Organization qualifies as a charitable organization as defined by Internal Revenue Code Section 501(c)(3), and, accordingly is exempt from federal income taxes under Internal Revenue Code Section 501(a). It is however, required to file Federal Form 990 - Return of Organization Exempt from Income Tax. This is an information return only.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

The Organization accounts for uncertain tax positions in accordance with accounting standards that provide guidance on when uncertain tax positions are recognized in an entity's financial statements and how the values of these positions are determined. No liability has been recorded as of June 30, 2024 and 2023 due to uncertain tax positions.

Functional Expenses

The costs of providing the various program services and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Depreciation, utilities, and occupancy expenses are allocated on a square footage basis. Salaries and benefits are allocated on the basis of estimates of time and effort.

Recent Accounting Pronouncements

On July 1, 2023, the Organization adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Loss (Topic 326): Measurement of Credit Losses on Financial Instruments* and all related subsequent amendments thereto (Accounting Standards Codification (ASC) 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable held-to forecasts and generally applies to financial assets measured at amortized cost, including maturity debt securities and accounts receivable. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses.

The Organization adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and any off-balance sheet credit exposures. Results from reporting periods beginning after July 1, 2023, are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. There was no material impact to the estimate of credit losses.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RESTRICTIONS ON NET ASSETS

The Organization has received grants and contributions restricted by grantors and contributors for specified programs. These restricted grants and contributions are restricted until used for the program purpose for the time required by the grant or the program purpose as specified by the contributor.

Net assets with donor restrictions were available for the following purposes at June 30, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|--|-------------------|------------------|
| SANE program | \$ 3,490 | \$ 8,974 |
| Financial achievement program | 15,000 | - |
| Children's and domestic violence program | 113,473 | 26,226 |
| Other | <u>1,327</u> | <u>1,468</u> |
| Total | <u>\$ 133,290</u> | <u>\$ 36,668</u> |

Net assets with donor restrictions were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes or by the expiration of time as follows for the years ended June 30, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|--|------------------|------------------|
| SANE program | \$ 5,484 | \$ 1,151 |
| Children's and domestic violence program | 26,460 | 70,164 |
| Other | <u>141</u> | <u>6,131</u> |
| Total | <u>\$ 32,085</u> | <u>\$ 77,446</u> |

Net assets with donor restrictions consisted of the following at June 30, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|-------------|-------------------|------------------|
| Cash | \$ 129,427 | \$ 36,668 |
| Investments | <u>3,863</u> | <u>-</u> |
| | <u>\$ 133,290</u> | <u>\$ 36,668</u> |

NOTE 3. LEASES

The Organization pays for various apartments used in the Family Violence program. Leases are executed in the names of the program recipients for terms of one year or less. Related rent expense totaled \$337,863 and \$309,192 for the years ended June 30, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. LINES OF CREDIT AND LOANS PAYABLE

The Organization has a secured line of credit of \$750,000 with a financial institution to provide for working capital. The balance was \$507,214, and \$284,757 as of June 30, 2024 and June 30, 2023, respectively. The line bears an variable interest rate of .5% points over the Prime Rate (8.5% as of June 30, 2024) and matures on June 20, 2025. The line of credit is collateralized by grants receivable and all property and equipment.

During fiscal year 2023, the Organization entered into a loan agreement in the amount of \$679,979 to refinance the construction loan. The loan carries a variable interest rate of 6.75% for first 119 months and then adjusted to 8.25%. Principal is to be paid monthly in the amount of \$5,211 through May 2043. The loan is secured by the Organization's building and improvements and furniture and equipment. The principal balance outstanding on the loan was \$663,603 and \$678,720 at June 30, 2024 and 2023, respectively.

Future principal maturities on the line of credit and loans payable are as follow:

| | | |
|--------------------------|----|------------------|
| Year ending June 30, | | |
| 2025 | \$ | 525,674 |
| 2026 | | 19,745 |
| 2027 | | 21,120 |
| 2028 | | 22,591 |
| 2029 | | 24,164 |
| Thereafter | | 557,523 |
| | | <u>1,170,817</u> |
| Less debt issuance costs | | (5,646) |
| Total | \$ | <u>1,165,171</u> |

NOTE 5. TRUST AGREEMENT

The Organization is a participant in an unemployment services trust. The trust provides funding for reimbursing state agencies for unemployment benefits paid to former employees of the Organization and other trust participants. Quarterly contributions are made to the trust based on actuarially determined amounts by the trustee. Effective April 2009, contributions to the trust were changed and based on an estimate of taxable wages paid quarterly.

NOTE 6. RETIREMENT PLAN

All eligible employees of the Organization are included in a contributory, defined contribution 401(k) retirement plan. The plan stipulates that the Organization funds an amount equal to 3% of each eligible employee's salary. Under this plan, the Organization's contributions begin after employees complete one year of service with over 1,000 hours in the year, and employees are vested after two years of service. The Organization's contributions to retirement plans were \$30,071 and \$32,455 for the years ended June 30, 2024 and 2023, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. FAIR VALUE MEASUREMENTS

GAAP (ASC Topic 820) prescribes that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value is therefore a market-based measurement that should be determined based on the same assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the guidance establishes a three-tier fair-value hierarchy that prioritizes the inputs used in measuring fair value, as follows:

Level 1 – Observable inputs consisting of quoted prices in active markets,

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

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

Following is a description of valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Equities, fixed income, and money market funds: These assets are valued at the closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization’s assets measured at fair value on a recurring basis as of June 30, 2024, in thousands:

| | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------------|------------|---------|---------|------------|
| Money market funds | \$ 69,314 | \$ - | \$ - | \$ 69,314 |
| Fixed income | 494,154 | - | - | 494,154 |
| Equities | 147,330 | - | - | 147,330 |
| Total assets as fair value | \$ 710,798 | \$ - | \$ - | \$ 710,798 |

The following table sets forth by level, within the fair value hierarchy, the Organization’s assets measured at fair value on a recurring basis as of June 30, 2023:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|----------|---------|---------|----------|
| Equities | \$ 6,755 | \$ - | \$ - | \$ 6,755 |
| Total assets as fair value | \$ 6,755 | \$ - | \$ - | \$ 6,755 |

NOTES TO FINANCIAL STATEMENTS

NOTE 8. CASH AND CASH EQUIVALENTS

For purposes of reporting cash flows, the Organization considers all cash accounts, excluding amounts whose use is restricted by indentures, and all liquid investments with initial maturities of 90 days or less to be cash and cash equivalents. Periodically the Organization has deposits with banks in excess of federally insured limits; however, the Organization believes it is not exposed to any significant credit risk on cash.

NOTE 9. GRANTS

The Organization received \$3,291,809 and \$2,595,713 in grants during the years ended June 30, 2024 and 2023, respectively, as follows:

| | 2024 | 2023 |
|--|--------------|--------------|
| Criminal Justice Coordinating Council | \$ 1,143,002 | \$ 1,364,692 |
| Office on Violence Against Women | 390,445 | 323,376 |
| Cobb County, Georgia | 957,615 | 340,146 |
| U.S. Department of Housing and Urban Development | 350,037 | 365,452 |
| United Way | 15,000 | 2,500 |
| Private Grants | 435,710 | 199,547 |
| | \$ 3,291,809 | \$ 2,595,713 |

NOTE 10. LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

| | 2024 | 2023 |
|--|--------------|--------------|
| Cash and cash equivalents | \$ 129,427 | \$ 538,603 |
| Grants receivable | 791,209 | 743,150 |
| Investments | 710,798 | 6,755 |
| Accounts receivable | - | 377 |
| Less: Cash and investments held for donor restrictions | (133,290) | (36,668) |
| | \$ 1,498,144 | \$ 1,252,217 |

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has an operating line of credit in the amount of \$750,000, which is also available as needed.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. EMPLOYEE RETENTION CREDIT

The Organization was eligible for and participated in the Employee Retention Credit program initially established under the CARES Act. This credit is based on qualifying wages paid to employees and is received through a reduction of federal employment tax.

During the year ended June 30, 2023, the Organization claimed through the original and amended quarterly Form 941 returns credits totaling \$385,185 for qualifying wages paid to employees.

NOTE 12. CONTRIBUTED SERVICES AND MATERIALS

For the years ended June 30, 2024 and 2023, nonfinancial contributions recognized included:

| | <u>2024</u> | <u>2023</u> |
|-----------------------|------------------|------------------|
| Food services | \$ 2,715 | \$ 5,342 |
| Program materials | 3,630 | 24,365 |
| Professional services | 5,750 | 9,300 |
| Auction items | 36,444 | - |
| Furniture | 38,493 | - |
| Maintenance services | 11,200 | - |
| | <u>\$ 98,232</u> | <u>\$ 39,007</u> |

The Organization recognized nonfinancial contributions within revenue, including contributed program materials and equipment. Unless otherwise noted, nonfinancial contributions were used for programmatic purposes and did not have donor-imposed restrictions.

In valuing contributed materials, the Organization estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. In valuing contributed services, the Organization estimated fair value based on current rates for similar services.

NOTE 13. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events occurring through March 27, 2025, the date on which the financial statements were available to be issued.

SINGLE AUDIT SECTION

LiveSafe RESOURCES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

| Programs | Assistance Listing No. | Grant No. | Expenditures |
|--|---------------------------|--------------------------------------|---------------------|
| U.S. DEPT. OF HEALTH & HUMAN SERVICES | | | |
| Criminal Justice Coordinating Council: | | | |
| Emergency Shelter | 93.671 | V22-8-024 | \$ 12,133 |
| FVPSA | 93.671 | V23-8-024 | 35,019 |
| FVPSA - VAWA | 93.671 | V23-8-076 | 41,331 |
| FVPSA – American Rescue Plan | 93.671 | V51-8-103 | 47,122 |
| FVPSA – American Rescue Plan – COVID | 93.671 | V52-8-071 | 86,830 |
| FVPSA – American Rescue Plan – SA | 93.479 | V53-8-041 | 17,506 |
| Sexual Assault Prevention Health Block | 93.991 | O24-8-005 | 8,250 |
| Cobb County: | | | |
| Community Service Block Grant | 93.569 | CSBG-22-S22Q | 5,226 |
| Community Service Block Grant | 93.569 | CSBG-24-C24Q | 24,737 |
| U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT | | | |
| Direct award: | | | |
| Supportive Housing Program | 14.267 | GA0117L4B062114 | 63,252 |
| Supportive Housing Program | 14.267 | GA0117L4B062215 | 71,029 |
| Supportive Housing Program | 14.267 | GA0431L4B062201 | 128,189 |
| Supportive Housing Program | 14.267 | GA0431L4B062302 | 71,476 |
| Cobb County Board of Commissioners: | | | |
| Home – TBRA | 14.239 | M-23-DC-130201 | 173,746 |
| Home – ARP | 14.239 | HR21CY-R | 16,789 |
| Emergency Shelter Grant | 14.231 | E-23-UC-13-0008 | 3,801 |
| Emergency Shelter Grant | 14.231 | E-24-UC-13-0008 | 11,544 |
| Community Development Block Grant (CDBG) | 14.218 | B-22-UC-21-0002 | 14,787 |
| Community Development Block Grant (CDBG) | 14.218 | B-24-UC-13-0002 | 4,461 |
| U.S. DEPT. OF JUSTICE | | | |
| State of GA, Criminal Justice Coordinating Council: | | | |
| Victims of Crime Act – Domestic Violence | 16.575 | C21-8-087 | 65,868 |
| Victims of Crime Act – Domestic Violence | 16.575 | C22-8-1153 | 118,859 |
| Victims of Crime Act – Sexual Assault | 16.575 | C20-8-223 | 42,869 |
| Victims of Crime Act – Sexual Assault | 16.575 | C21-8-148 | 70,481 |
| Sexual Assault Cold Case Therapy | 16.575 | C19-8-220 | 4,389 |
| Byrne Discretionary Grant | 16.753 | B51-8-025 | 31,762 |
| Office on Violence Against Women: | | | |
| Elder Abuse Grant | 16.889 | 2019-EW-AX-K007 15JOVW23GK01388AL | 37,749 |
| Elder Abuse Grant | 16.889 | LX | 99,934 |
| Elder Abuse Grant | 16.889 | 2019-V3-GX0011 | 65,828 |
| Elder Abuse Grant | 16.889 | 2019-WL-AX-0033 | 113,037 |
| Cobb County: | | | |
| ICJR Cobb | 16.059 | | 55,949 |
| Cobb County Board of Commissioners: | | | |
| Justice Assistance Grant | 16.738 | 2022-J22E | 2,817 |
| Justice Assistance Grant | 16.738 | 2023-J23E | 34,995 |
| U.S. DEPT. OF TREASURY | | | |
| State of GA, Criminal Justice Coordinating Council: | | | |
| ARPA Counseling | 21.027 | X50-8-202 | 1,804 |
| ARPA – Domestic Violence Shelter | 21.027 | X50-8-094 | 64,306 |
| ARPA SA | 21.027 | X50-8-041 | 25,434 |
| Cobb County: | | | |
| Coronavirus Local Fiscal Recovery | 21.027 | SLFRP0203 | 639,599 |
| U.S. DEPT. OF HOMELAND SECURITY | | | |
| Cobb County: | | | |
| FEMA Emergency Food & Shelter (EFSP) | 97.024 | 1840-00-006 Phase 40 | 5,724 |
| FEMA Emergency Food & Shelter (EFSP) | 97.024 | 1840-00-006 Phase 41 | 4,770 |
| TOTAL FEDERAL AWARDS | | | \$ 2,323,402 |

The accompanying notes are an integral part of this schedule.

LiveSafe RESOURCES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of LiveSafe Resources, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has elected not to use the 10% de minimis cost rate as allowed under the Uniform Guidance.

LiveSafe RESOURCES, INC.
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2024

| State Grantor Agency Program Title/Contract Number | Grant No. | Expenditures |
|---|------------------|--------------------------|
| Criminal Justice Coordinating Council | | |
| Emergency Shelter – Domestic Violence | X23-8-026 | \$ 79,681 |
| Emergency Shelter – Domestic Violence | X24-8-025 | 326,678 |
| Sexual Assault Center | X23-8-055 | 59,430 |
| Sexual Assault Center | X24-8-055 | <u>51,908</u> |
| TOTAL STATE AWARDS | | <u>\$ 517,697</u> |



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

**To the Board of Directors
LiveSafe Resources, Inc.
Marietta, Georgia**

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 financial statements of LiveSafe Resources, Inc. (the “Organization”) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LiveSafe Resources, Inc.’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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of LiveSafe Resources, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of LiveSafe Resources, Inc.’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 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LiveSafe Resources, Inc.'s 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 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*.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 27, 2025



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

To the Board of Directors
LiveSafe Resources, Inc.
Marietta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited LiveSafe Resources, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of LiveSafe Resources, Inc.'s major federal programs for the year ended June 30, 2024. LiveSafe Resources, Inc.'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, LiveSafe Resources, Inc. 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 LiveSafe Resources, Inc. 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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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 LiveSafe Resources, Inc.'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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 27, 2025

LiveSafe RESOURCES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS:

Financial Statements:

| | Unmodified | |
|---|-------------------|----------------------|
| | Yes | No |
| Type of auditor's report issued: | | |
| Internal control over financial reporting: | | |
| Material weaknesses identified? | | X |
| Significant deficiencies identified not considered to be material weaknesses? | | None Reported |
| Noncompliance material to the financial statements noted? | | X |

Federal Awards:

| | | |
|---|-------------------|----------------------|
| Internal controls over major programs: | | |
| Material weaknesses identified? | | X |
| Significant deficiencies identified not considered to be material weaknesses? | | None Reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified | |
| Audit findings required to be reported in accordance with 2 CFR Section 200.516(a)? | | X |

Identification of major programs:

- 14.239 Home Investment Partnership Program
- 14.267 Continuum of Care Program
- 93.671 Family Violence Prevention service/Domestic Violence Shelter and Supportive Services

| | | |
|--|------------|-----------|
| Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 | |
| | Yes | No |
| Auditee qualified as low-risk auditee? | X | |

LiveSafe RESOURCES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section II – Financial Statement Findings

None

Section III - Findings and Questioned Costs for Federal Awards

None

LiveSafe RESOURCES, INC.
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

Section II – Financial Statement Findings

None

Section III - Findings and Questioned Costs for Federal Awards

None