

KRISTI HOUSE, INC.  
AND SUBSIDIARY

CONSOLIDATED FINANCIAL  
STATEMENTS,  
INDEPENDENT AUDITOR'S REPORT, AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED  
JUNE 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Kristi House, Inc.  
Miami, Florida

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the accompanying consolidated financial statements of Kristi House, Inc. (a nonprofit organization) and subsidiary (collectively, the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, changes in net assets, 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, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 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 opinions.

#### *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 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 GAAS 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 GAAS 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.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating information on pages 23 and 24 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the consolidated financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 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 the effectiveness of the Organization's 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.

*García Santa María De Armas Trujillo, PLLC*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
November 18, 2025

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025**

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**ASSETS**

Cash and equivalents	\$ 1,191,684
Investments	433,252
Grants and program receivable, net	1,083,736
Other receivables	50,670
Prepaid expenses and other current assets	125,156
Property and equipment, net	10,032,100
Right-of-use assets	241,374
TOTAL ASSETS	<u>\$ 13,157,972</u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable and accrued expenses	\$ 658,849
Security deposit	39,000
Deferred revenue	155,267
Loans payable	5,900,000
Right-of-use liabilities	250,467
TOTAL LIABILITIES	<u>7,003,583</u>

**NET ASSETS**

Without donor restrictions	
Attributable to controlling interest	5,953,460
Deficit attributable to non-controlling interest	(68,278)
With donor restrictions	
Attributable to controlling interest	269,207
TOTAL NET ASSETS	<u>6,154,389</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,157,972</u>
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The accompanying notes are an integral part of these consolidated financial statements.

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Without Donor Restriction	With Donor Restriction	Total
<b>SUPPORT AND REVENUE</b>			
Government grants	\$ 4,968,890	\$ -	\$ 4,968,890
Private grants	452,072	400,188	852,260
Fundraising events, net of expenses of \$296,022	712,374	-	712,374
Contributions	1,465,046	-	1,465,046
Program revenue	441,616	-	441,616
Rental income	414,164	-	414,164
Miscellaneous income	100,748	-	100,748
Net assets released from restrictions	820,536	(820,536)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>9,375,446</b>	<b>(420,348)</b>	<b>8,955,098</b>
<b>EXPENSES</b>			
<b>PROGRAM SERVICES</b>			
Child abuse services	7,104,319	-	7,104,319
<b>TOTAL PROGRAM SERVICES</b>	<b>7,104,319</b>	<b>-</b>	<b>7,104,319</b>
<b>SUPPORTING SERVICES</b>			
Management and general	490,739	-	490,739
Fundraising	896,183	-	896,183
<b>TOTAL SUPPORTING SERVICES</b>	<b>1,386,922</b>	<b>-</b>	<b>1,386,922</b>
<b>TOTAL EXPENSES</b>	<b>8,491,241</b>	<b>-</b>	<b>8,491,241</b>
<b>CONSOLIDATED CHANGE IN NET ASSETS</b>	<b>884,205</b>	<b>(420,348)</b>	<b>463,857</b>
Change in net assets attributable to non-controlling interest	68,278	-	68,278
<b>CHANGE IN NET ASSETS ATTRIBUTABLE TO KRISTI HOUSE, INC.'S CONTROLLING INTEREST</b>	<b>\$ 952,483</b>	<b>\$ (420,348)</b>	<b>\$ 532,135</b>

The accompanying notes are an integral part of these consolidated financial statements.

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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	Net Assets without Donor Restriction			Net Assets with Donor Restriction			Total Net Assets
	Controlling Interest	Non-controlling Interest	Total	Controlling Interest	Non-controlling Interest	Total	
Balance, June 30, 2024	\$ 5,000,977	\$ -	\$ 5,000,977	\$ 689,555	\$ -	\$ 689,555	\$ 5,690,532
Change in Net Assets	952,483	(68,278)	884,205	(420,348)	-	(420,348)	463,857
Balance, June 30, 2025	\$ 5,953,460	\$ (68,278)	\$ 5,885,182	\$ 269,207	\$ -	\$ 269,207	\$ 6,154,389

The accompanying notes are an integral part of these consolidated financial statements.

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Program Services		Supporting Services		Grand Total
	Child Abuse Services	Management and General	Fundraising	Total	
<b>TOTAL SALARIES AND RELATED BENEFITS</b>					
Compensation	\$ 4,677,954	\$ 99,913	\$ 535,143	\$ 635,056	\$ 5,313,010
Employee benefits	481,337	6,198	51,704	57,902	539,239
Payroll taxes	341,798	7,217	39,397	46,614	388,412
<b>TOTAL SALARIES AND RELATED BENEFITS</b>	<b>5,501,089</b>	<b>113,328</b>	<b>626,244</b>	<b>739,572</b>	<b>6,240,661</b>
<b>OTHER EXPENSES</b>					
Professional fees	293,053	64,039	79,368	143,407	436,460
Direct client assistance	190,347	418	4,955	5,373	195,720
Communication	60,576	706	2,193	2,899	63,475
Department supplies and other	101,581	5,368	96,600	101,968	203,549
Occupancy costs	341,219	45,007	20,442	65,449	406,668
Interest expense	-	40,500	-	40,500	40,500
Membership and dues	15,450	251	8,424	8,675	24,125
Insurance	166,442	139,500	10,243	149,743	316,185
Training and travel	71,600	1,868	10,240	12,108	83,708
Technology and website	258,618	21,395	31,053	52,448	311,066
Depreciation	104,344	58,359	6,421	64,780	169,124
<b>TOTAL EXPENSES</b>	<b>\$ 7,104,319</b>	<b>\$ 490,739</b>	<b>\$ 896,183</b>	<b>\$ 1,386,922</b>	<b>\$ 8,491,241</b>

The accompanying notes are an integral part of these consolidated financial statements.

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Consolidated change in net assets	\$ 463,857
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	169,124
Increase in allowance for credit losses	50,196
Gain on investment	(11,090)
Change in right-of-use assets	88,445
Change in operating lease liabilities	(86,701)
Change in operating assets and liabilities:	
(Increase) in grants and program receivables	(181,996)
Decrease in other receivable	133,510
Decrease in prepaid expenses and other current assets	8,513
Increase in accounts payable and accrued expenses	206,126
Increase in security deposit payable	39,000
(Decrease) in deferred revenue	(17,262)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>861,722</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of investments, net	(359)
Acquisition of property and equipment	(2,610,059)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(2,610,418)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from long-term debt	639,252
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>639,252</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,109,444)
CASH AND CASH EQUIVALENTS, beginning of year	2,301,128
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,191,684</u>
<b>Supplemental disclosures of cash flow information:</b>	
Portion of property acquired through financing (loan proceeds paid directly to closing)	<u>\$ 5,260,748</u>

The accompanying notes are an integral part of these consolidated financial statements.

**KRISTI HOUSE, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 1 – ORGANIZATION

**Organization**

Kristi House, Inc. (“Kristi House”) is a nonprofit organization whose mission is to provide treatment, advocacy, and coordination of services for all child victims of sexual and physical abuse and children who have experienced sexual exploitation, while providing education and prevention services to end child sexual abuse. Kristi House operates the Kristi House Children’s Advocacy Center (CAC), which is responsible for coordination of the multidisciplinary team serving victims throughout Miami-Dade County, as designated by Florida State Statute.

Kristi House is fully accredited by the National Children's Alliance and the Council on Accreditation (COA) and is a member of the National Child Traumatic Stress Network and the Florida Network of Children’s Advocacy Centers.

**Formation of The Healing Sanctuary LLC**

In October 2024, Kristi House and another nonprofit organization jointly formed The Healing Sanctuary LLC (the “LLC”), a Florida limited liability company. Kristi House holds a 51% ownership interest, and the other nonprofit holds a 49% ownership interest.

The LLC was established to acquire, operate, lease, and manage a multi-building campus in southern Miami-Dade County that includes office, program, and community service facilities. The property was purchased during fiscal year 2025 and was partially leased to tenants under short-term lease arrangements. The acquisition was financed through charitable foundation loans obtained by the LLC.

**Consolidation**

Under the terms of the LLC operating agreement, Kristi House serves as the managing member and holds a controlling financial interest. Accordingly, for purposes of these consolidated financial statements, the term “Organization” refers to Kristi House, Inc. and its consolidated subsidiary, The Healing Sanctuary LLC. The accompanying consolidated financial statements include the accounts of both entities, and the 49 percent ownership interest held by the other nonprofit member is reported as a noncontrolling interest within net assets without donor restrictions. All significant intercompany transactions and balances have been eliminated in consolidation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting**

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (“GAAP”). Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Kristi House, Inc. and its majority-owned subsidiary, The Healing Sanctuary LLC. All significant intercompany balances and transactions are eliminated in consolidation. The portion of net assets and change in net assets attributable to the noncontrolling member is reported as noncontrolling interest within net assets without donor restrictions.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to two classes of net assets. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- *Net assets without donor restriction* are the part of net assets that are not restricted by donor-imposed stipulations. These net assets are subject only to the broad limits resulting from the nature of the organization, the environment where it operates, and the purposes specified in its articles of incorporation or bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements entered into by the Organization in the course of its business. Generally, operating revenues and expenses have been recorded in net assets without donor restriction.
- *Net assets with donor restriction* result from contributions and other inflows of assets whose use is limited by donor-imposed time stipulations or donor-imposed purposes restrictions. These restrictions limit the Organization's choices when using these resources because the Organization has a fiduciary responsibility to its donors to follow the donor's instructions. Net assets with donor restriction generally result from donor-restricted contributions that either expire by passage of time or can be removed by actions of the organization pursuant to those stipulations. Net assets with donor restriction totaled \$269,207 as of June 30, 2025.

Expiration of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

**Cash and Cash Equivalents**

For the purpose of reporting cash flows, the Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

**Investments**

The Organization reports its investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Investments received as contributions are recorded at fair value on the date of donation. Investment gains (losses) (including realized and unrealized gains and losses, interest, and dividends) are included in the statement of activities under the caption miscellaneous income. See Notes 3 and 4.

**Grants and program receivables, net**

Program receivables consist primarily of Medicaid billings. Management evaluates these receivables for expected credit losses based on historical collection experience, current conditions, and reasonable and supportable information relevant to future collectability. The allowance recorded at June 30, 2025 was \$50,196, which represents the estimated credit losses associated with program receivables.

Government grant receivables arise from cost-reimbursement awards and are recorded when allowable costs have been incurred. Management reviewed the outstanding grant receivable balances and determined that no allowance was required based on the Organization's collection history and the terms of the underlying agreements.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Property and Equipment**

Property and equipment purchased by the Organization greater than \$1,000 are capitalized and recorded at cost. Donated assets greater than \$1,000 are capitalized and recorded at fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, or in the case of leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. Expenses for maintenance and repairs are charged to expense when incurred.

Donations of property and equipment are reported as support without donor restriction unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as donor-restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets without donor restriction to net assets with donor restriction at that time.

The estimated useful lives of property and equipment are as follows:

Building	39
Leasehold improvements	5-7
Signs and automobile	5
Office furniture and fixtures	5-7
Office equipment	5

**Contributions**

Contributions received, including unconditional promises to give, are recognized as revenues when the donor's commitment is received. All contributions are considered to be available for use without restriction unless specifically restricted by the donor. When donor restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. There were no outstanding promises to give at June 30, 2025.

**Government Grants**

The Organization receives funding from several federal, state, and local governments as financial assistance for its program services. Grant revenues are recognized when the performance obligations, such as incurring eligible costs or performing specified services, have been fulfilled in accordance with the grant contracts. Payments received in advance of satisfying performance obligations are recorded as deferred revenue. Deferred government grant revenue at June 30, 2025 was approximately \$47,000 and is included in deferred revenue in the accompanying statement of financial position.

**Program Services**

The Organization recognizes fee based revenue, principally Medicaid, when such services are performed in accordance with regulatory requirements.

**Rental Income**

Rental income is reported over the term of the lease in accordance with FASB ASC 842 *Leases*. Amounts received in advance are included as deferred rent revenue. See Note 7.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Cost of Direct Benefit to Donors**

Costs of direct benefit to donors include all costs associated with an event in which the donor received a direct benefit in exchange for participating in the event in which they have made a contribution. These costs include meals, beverages, entertainment, and costs of the venue, services such as green fees and entrance fees, and various other items. During the year ended June 30, 2025, cost of direct benefit to donors amounted to approximately \$296,022 and is netted against fundraising event revenues in the statement of activities.

**Functional allocation of expenses**

The cost of providing various programs and other activities are summarized on a functional basis in the statement of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited as follows: occupancy, insurance, and depreciation are allocated based on square footage of facility space; salaries and related benefits are allocated based on equivalent full time employee and estimates of time and effort. Indirect costs have been allocated between the various programs and support services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

**Income Taxes**

Kristi House, Inc. is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 220.13, Florida Statutes, respectively. As a result, no income tax provision or liability has been provided in the accompanying financial statements. The Organization has been classified as an organization that is not a private foundation under IRC Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(L)(A)(vi).

Kristi House, Inc.'s consolidated subsidiary, The Healing Sanctuary LLC, is treated as a partnership for federal income tax purposes. Accordingly, taxable income or loss, if any, is reportable by the members in their respective tax filings and no income tax provision is recorded at the LLC level. Each member of The Healing Sanctuary LLC is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; therefore, the activities of the consolidated entity are not expected to generate unrelated business taxable income.

GAAP prescribes a comprehensive model for how an entity should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the entity has taken or expects to take on a tax return. In the unlikely event an uncertain tax position exists in which the Organization could incur income taxes, the Organization would evaluate whether there is a probability that the uncertain tax position taken would be sustained upon examination by a taxing authority. Reserves for uncertain tax positions would then be recorded if the Organization determined that it is probable that either a position would not be sustained upon examination or if a payment would have to be made to a taxing authority and the amount was reasonably estimable. As of June 30, 2025, the Organization does not believe it has any uncertain tax positions that would result in the Organization having a liability to a taxing authority. The Organization is subject to federal and state tax examinations for tax years 2022 forward.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**FASB ASC 842, Leases**

The Organization determines if a contract contains a lease at inception. GAAP requires that the Organization's leases be evaluated and classified as operating or finance leases for financial reporting purposes. The classification evaluation begins at the date the Organization takes possession of the premises (the "commencement date"), and the lease term used in the evaluation includes the noncancellable period for which the Organization has the right to use the underlying asset, together with renewal option periods when the exercise of the renewal option is reasonably certain and failure to exercise such option would result in an economic penalty. The Organization made an accounting policy election under Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 842, Leases, not to recognize right-of-use assets and lease liabilities for leases with a term of twelve months or less. In addition, the Organization elected certain other available practical expedients for new or amended leases post Topic 842 effective date.

The Organization has operating leases for office spaces in Miami and Homestead and has no finance leases. The lease term used for straight-line rent expense is calculated from the commencement date through the lease termination date, including any options where exercise is reasonably certain and failure to exercise such option would result in an economic penalty. The Organization records rent expense on a straight-line basis beginning on the commencement date. Because the Organization's lease did not provide an explicit or implicit rate of return, the Organization elected to use the risk-free rate as the discount rate in determining the present value of the lease payments.

All operating lease rent expenses are included in the accompanying statement of activities and changes in net assets. The Organization's operating lease liability calculation is the total rent payable during the lease term, including rent escalations in which the amount of future rent is certain or fixed on the straight-line basis over the term of the lease. A corresponding operating lease asset is also recorded equaling the initial amount of the operating lease liability, plus any lease payments made to the lessor before or at the lease commencement date and initial direct costs incurred, less any lease incentives received. The difference between the minimum rents paid and the straight-line rent is reflected with the associated operating lease right-of-use asset. (See Note 8).

**Credit Risk**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents and investments. The Organization tries to limit the amount of its credit risk by placing its cash with highly liquid financial institutions. At times, these accounts may exceed federally insured limits. Management continually reviews the bank institutions for deposit risk and believes the risk associated with the current banking institutions is minimal.

**Subsequent Events**

The Organization has evaluated subsequent events through November 18, 2025, which is the date the financial statements were available to be issued.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 3 – INVESTMENTS

Investments at June 30, 2025 and are summarized as follows:

Fixed income - corporate bonds	\$	407,821
Pooled investments		<u>25,431</u>
Total investments	\$	<u>433,252</u>

The Organization has investments held in an account at a licensed brokerage firm as well as pooled investments held at The Miami Foundation. The pooled investment fund invests primarily in equity, fixed income securities and alternative investments.

The following schedule summarizes the investment return and its classification in the consolidated statement of activities for the year ended June 30, 2025 , respectively:

Interest and dividends, net	\$	79,985
Realized and unrealized gain		<u>11,090</u>
Total	\$	<u>91,075</u>

Realized and unrealized gains and losses are included as component of miscellaneous income in the statement of activities.

NOTE 4 – FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a hierarchy of observable and unobservable inputs used to measure fair value and permits the use of net asset value for certain investments when NAV is an appropriate estimate of fair value. The Organization holds investments that are measured within the fair value hierarchy and investments that are valued using NAV.

**Investments Valued Within the Fair Value Hierarchy**

The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - quoted prices are available in active markets for identical assets and liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - observable market inputs, other than quoted prices included in Level 1, which are either directly or indirectly observable. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and market inputs other than quoted prices (such as interest rates and yield curves) that are directly observable for the asset or liability.
- Level 3 - unobservable market inputs that are used to measure fair value if observable market inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 4 – FAIR VALUE MEASUREMENTS (Continued)

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization's perceived risk of that instrument. The application of the valuation techniques applied to similar assets and liabilities has been consistent.

**Investments Valued at Net Asset Value**

Investments valued at net asset value (NAV) represent interests in pooled investment funds held at a community foundation. The Organization measures these investments using the amount reported by the fund manager as a practical expedient for estimating fair value under ASC 820, which permits the use of net asset value as an estimate of fair value when certain criteria are met. The Organization does not anticipate redemptions at amounts other than the reported value. Under ASU 2015-07, investments measured at NAV as a practical expedient are presented separately from the fair value hierarchy.

Description	Fair Value Measurements Using:		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Fixed income - corporate bonds	\$ 407,821	\$ -	\$ -
Total Assets at Fair Value in the Fair Value Hierarchy	407,821	-	-
Pooled investments	25,431		
Total Assets Valued at NAV per Share*	25,431		
Total Assets at Fair Value	\$ 433,252		

\*Investments valued at NAV represent pooled investment funds for which the amount reported by the fund manager is used to estimate fair value under the practical expedient. These investments are not included within the fair value hierarchy.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 5 – GRANTS AND PROGRAM RECEIVABLES, NET**

Accounts receivable at June 30, 2025 mainly consists of amounts due from federal, state and local agencies as follows:

<b>Grants and program receivables</b>	
Florida Network of Children's Advocacy	\$ 361,827
Victims of Crime Act	168,496
HUD Community Planned Funding	162,825
Substance Abuse and Mental Health Services Administration	125,578
Federal Office of Victims of Crime	137,593
Medicaid program	111,501
The Children's Trust	27,102
City of Homestead	22,915
City of Miami Gardens	12,195
National Command Authority (NCA)	3,900
	<u>\$ 1,133,932</u>
Less: allowance for program receivables	(50,196)
Grants and program receivables, net	<u>\$ 1,083,736</u>

**NOTE 6 – PROPERTY AND EQUIPMENT, NET**

Property and equipment at June 30, 2025 consist of the following:

Building	\$ 5,683,498
Leasehold improvements	110,164
Land	3,512,147
Capital in progress	2,660,666
Automotive	126,347
Office furniture and fixtures	47,319
Office equipment	100,816
	<u>\$ 12,240,957</u>
Less accumulated depreciation	(2,208,857)
Property and equipment, net	<u>\$ 10,032,100</u>

Depreciation expense for the year ended June 30, 2025 totaled \$169,124.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 7 – RENTAL INCOME/OCCUPANCY REIMBURSEMENT**

The Organization earns rental income from operating lease agreements for portions of its facilities. Lease income is recognized on a straight-line basis over the term of each agreement in accordance with ASC 842, *Leases*. Variable lease payments, including reimbursements for utilities and other usage-based costs, are recognized in the period in which they are earned. Lease arrangements where the Organization acts as lessor are described below.

On November 16, 1998, Kristi House entered into a lease agreement with Miami-Dade County, Florida to provide office space to the State Attorney's Office, who occupied the space commencing July 11, 1999. The lease term is for a period of 25 years with an option to renew for 5 additional years. In accordance with the agreement, the County paid the Organization \$957,795 as reimbursement of building construction costs in exchange for 7,605 square feet of office space for an annual rent of \$1. The payment was reported as deferred rent revenue in the statement of financial position and is amortized over the 30-year lease period. The balance in deferred rent revenue at June 30, 2025 totaled \$107,747. For the year ended June 30, 2025, the Organization amortized \$31,925 and reported the revenue as component of rental income in the statement of activities.

Kristi House receives a monthly amount of \$10,192 from Miami-Dade County as reimbursement for its share of building operating expenses. Total reimbursement received during the year ended June 30, 2025 totaled approximately \$122,000, which is included in rental income in the statement of activities.

During fiscal year 2025, Kristi House entered into a two-year sublease agreement with the University of Miami for approximately 2,300 square feet of office space at its Miami facility. The sublease was approved by Miami-Dade County, Kristi House's lessor under the master lease, and commenced on September 16, 2024, expiring September 16, 2026. The agreement provides for fixed base rent of approximately \$92,800 per year and variable reimbursements equal to 13 percent of actual building operating expenses. For the year ended June 30, 2025, the Organization recognized approximately \$102,000 of rental income related to this sublease, consisting of both base rent and variable reimbursements.

At June 30, 2025, the LLC had two active operating lease agreements with unrelated tenants for the use of portions of the property. One lease is for a term of one year with renewal options, and the other lease has an initial term of three years with an optional one-year renewal. Both leases provide for fixed monthly payments and require tenants to pay a share of utilities and other operating costs. For the year ended June 30, 2025, total rental income recognized under these agreements amounted to approximately \$147,000. At June 30, 2025, the Organization reported rent receivable of \$31,594, which are included in other receivables in the accompanying consolidated statement of financial position, and security deposits payable of \$39,000 related to these lease agreements.

**NOTE 8 – RIGHT-OF-USE ASSETS AND LIABILITIES**

The Organization has two leases for office space ending in February 2027 and July 2028. On July 1, 2022, the Organization implemented FASB ASU No. 2016-02, *Leases (Topic 842)* and as a result has recorded right-of-use assets and liabilities in these financial statements. An interest rate of approximately 4% and 3% was used for each lease, accordingly, which is the risk-free rate as of the implementation date, to discount the annual lease payments and recognize the intangible right to use the asset and the lease liability. During the year ended June 30, 2025, the lease expense of the right-of-use assets totaled approximately \$98,000. The weighted-average remaining lease term in years is 2.75.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 8 – RIGHT-OF-USE ASSETS AND LIABILITIES (Continued)

Annual lease expenses are estimated as follows:

June 30,	
2026	99,366
2027	89,769
2028	66,792
2029	5,566
2030	-
Undiscounted cash flows for leases	261,493
Less: discount	(11,026)
Total	\$ 250,467

NOTE 9 – LOANS PAYABLE

At June 30, 2025, loans payable consists of the following:

**Loan payable – The Frederick A. DeLuca Foundation, Inc.**

In October 2024, the LLC entered into a loan agreement with a charitable foundation to finance a portion of the acquisition of real property. The loan has a maturity date of October 31, 2031 and bears interest at 1% per annum, payable quarterly beginning in October 2026, and is secured by property-related pledges and collateral. The outstanding principal balance at June 30, 2025, was \$5,400,000, with accrued interest payable of \$40,500.

**Loan payable – The Miami Foundation, Inc.**

In October 2024, the LLC entered into a \$500,000 loan agreement with a charitable foundation to support the acquisition of the same property. The loan bears interest at 0.01% per annum and matures in October 2029. The agreement provides for potential forgiveness of \$100,000 per year over five years if specified operating and compliance conditions are met. The loan is secured by a mortgage on the property and an assignment of rents. The outstanding balance at June 30, 2025, was \$500,000. No portion of the loan had been forgiven as of June 30, 2025, and the full amount remains recorded as a liability until the applicable annual forgiveness conditions are met and formally approved by the lender.

Principal payments on the loans are as follows:

June 30,	
2026	\$ 100,000
2027	854,202
2028	1,114,431
2029	1,124,613
2030	1,134,898
Thereafter	1,571,856
Total	\$ 5,900,000

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 9 – LOANS PAYABLE (Continued)

**Debt Compliance and Covenants**

The Company’s loan agreements contain customary covenants requiring it to maintain the property in good condition, comply with applicable laws, maintain insurance, and refrain from transferring or encumbering the property without lender consent. Both loans are secured by the real property owned by the Company and by an assignment of leases and rents. The agreements include cross-default provisions whereby a default under one agreement constitutes a default under the other. Management monitors compliance with all loan terms and, as of June 30, 2025, the Company was in compliance with all financial and nonfinancial covenants.

NOTE 10 – NET ASSETS WITH DONOR RESTRICTION

The Organization obtains donations or grants whose funds are restricted for use. Restrictions are considered to expire when payments are made towards the intended purpose. For the year ended June 30, 2025, the Board of Directors evaluated its restricted net assets and released \$820,536. Total amount released were expenses incurred during the year. As of June 30, 2025, the balance in net assets with donor restrictions totaled \$269,207, which was held in cash.

Net assets with donor restriction are available for the following purposes:

Education and outreach	\$ 63,139
Therapy	141,659
Development and education	4,409
Project Gold	50,000
Emergency Food Support	10,000
	<u>\$ 269,207</u>

NOTE 11 – CONCENTRATION OF CREDIT RISK

The Organization received approximately 55% of its total support and revenue from various governmental agencies in the form of grants and contracts, including 13% from the Victims of Crime Act grant passed through the Florida Department of Legal Affairs Office of the Attorney General, 11% from FNCAC and 11% from Florida State Appropriation Fund for the year ended June 30, 2025.

NOTE 12 – EMPLOYEE BENEFIT PLAN

The Organization sponsors a salary reduction Safe Harbor (401k) plan, covering substantially all employees. Eligible participants may contribute the maximum of \$22,500 to the plan, and an additional catch-up contribution of \$6,000 for participants age 50 or older by the end of the plan year. At the Board of Director's discretion, the Organization can match 100% of the amount of the elective deferrals that do not exceed 3% of compensation, plus 50% of the elective deferrals that exceed 3% of compensation but not to exceed 5% of compensation. Matching contributions made by the Organization for the year ended June 30, 2025, totaled approximately \$63,000.

NOTE 13 – CONTINGENCIES

Certain amounts received under grant contracts with federal, state or local governments are subject to audit and adjustment by those agencies. Any expenditure or claims disallowed as a result of such audits would become a liability to the Organization. Management believes that the Organization has complied with all aspect of the grant and contract provisions and that adjustment, if any, would be insignificant to the financial position of the Organization.

**KRISTI HOUSE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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NOTE 14 – LITIGATION

The Organization is subject to claims and lawsuits in the ordinary course of its business. In the opinion of management, the Organization has adequate legal defenses and/or adequate indemnification or insurance coverage for such matters. Accordingly, management believes that such matters will not, in the aggregate, have a material adverse impact upon the Organization’s financial position, results of future operations, or cash flows.

NOTE 15 – RELATED PARTY TRANSACTIONS

The Organization received contributions totaling \$1,123,641 during the year ended June 30, 2025 from a board member.

NOTE 16 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the statement of financial position date to fund expenses without limitations:

Cash	\$ 1,191,684
Grants and program receivables	<u>1,083,736</u>
Total	2,275,420
Less:	
Cash, with donor restriction (see Note 10)	<u>(269,207)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,006,213</u>

NOTE 17 – SUBSEQUENT EVENTS

Subsequent to June 30, 2025, the Organization continued its efforts to secure additional liquidity and finalized two financing arrangements with Regions Bank, consisting of a \$750,000 revolving line of credit and an \$850,000 term loan, both executed on October 3, 2025. These borrowings were undertaken to provide back-up funding for future cash flow needs. As the transactions relate to circumstances arising after year-end, no adjustments to the accompanying financial statements were required.

SUPPLEMENTARY INFORMATION



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NATIONAL ASSOCIATION OF  
CERTIFIED VALUATION ANALYSTS  
COLLABORATIVE FAMILY  
LAW INSTITUTE

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*

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To the Board of Directors of  
Kristi House, Inc.  
Miami, Florida

We have audited, 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, the consolidated financial statements of Kristi House, Inc. (a non-profit organization) and subsidiary (collectively, the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, changes in net assets, 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 November 18, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 consolidated financial statements. 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.

*García Santa María De Armas Trujillo, PLLC*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
November 18, 2025

**KRISTI HOUSE, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025**

<b>ASSETS</b>	Kristi House, Inc.	The Healing Sanctuary, LLC	Consolidating Entries	Consolidated Totals
Cash and cash equivalents	\$ 764,922	\$ 426,762	\$ -	\$ 1,191,684
Investments	433,252	-	-	433,252
Grants and program receivable, net	1,083,736	-	-	1,083,736
Other receivables	19,076	32,164	(570)	50,670
Prepaid expenses and other current assets	45,015	80,141	-	125,156
Property and equipment, net	4,711,291	5,320,809	-	10,032,100
Right-of-use assets	241,374	-	-	241,374
<b>TOTAL ASSETS</b>	<b><u>\$ 7,298,666</u></b>	<b><u>\$ 5,859,876</u></b>	<b><u>\$ (570)</u></b>	<b><u>\$ 13,157,972</u></b>
 <b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts payable and other liabilities	\$ 599,200	\$ 60,219	\$ (570)	\$ 658,849
Security deposit	-	39,000	-	39,000
Deferred revenue	155,267	-	-	155,267
Loans payable	-	5,900,000	-	5,900,000
Right-of-use liability	250,467	-	-	250,467
<b>TOTAL LIABILITIES</b>	<b><u>1,004,934</u></b>	<b><u>5,999,219</u></b>	<b><u>(570)</u></b>	<b><u>7,003,583</u></b>
 <b>NET ASSETS</b>				
Without donor restrictions				
Attributable to controlling interest	6,024,525	(71,065)	-	5,953,460
Deficit attributable to non-controlling interest	-	(68,278)	-	(68,278)
With donor restrictions				
Attributable to controlling interest	269,207	-	-	269,207
<b>TOTAL NET ASSETS</b>	<b><u>6,293,732</u></b>	<b><u>(139,343)</u></b>	<b><u>-</u></b>	<b><u>6,154,389</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 7,298,666</u></b>	<b><u>\$ 5,859,876</u></b>	<b><u>\$ (570)</u></b>	<b><u>\$ 13,157,972</u></b>

See Independent Auditor's Report on Supplementary Information.

**KRISTI HOUSE, INC. AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Kristi House, Inc.</u>			<u>The Healing Sanctuary, LLC</u>			Totals	Consolidating Entries	Consolidated Totals 2025
	Without Donor Restriction	With Donor Restriction	Subtotals	Without Donor Restriction	With Donor Restriction	Subtotals			
REVENUES, GAINS AND OTHER SUPPORT:									
Government grants	\$ 4,968,890	\$ -	\$ 4,968,890	\$ -	\$ -	\$ -	\$ 4,968,890	\$ -	\$ 4,968,890
Private grants	452,072	400,188	852,260	-	-	-	852,260	-	852,260
Fundraising events, net of expenses of \$296,022	712,374	-	712,374	-	-	-	712,374	-	712,374
Contributions	1,452,546	-	1,452,546	12,500	-	12,500	1,465,046	-	1,465,046
Program revenue	441,616	-	441,616	-	-	-	441,616	-	441,616
Rental income	266,802	-	266,802	147,362	-	147,362	414,164	-	414,164
Interest and other income	97,413	-	97,413	3,335	-	3,335	100,748	-	100,748
Net assets released from restrictions	820,536	(820,536)	-	-	-	-	-	-	-
<b>TOTAL REVENUES AND SUPPORT</b>	<b>9,212,249</b>	<b>(420,348)</b>	<b>8,791,901</b>	<b>163,197</b>	<b>-</b>	<b>163,197</b>	<b>8,955,098</b>	<b>-</b>	<b>8,955,098</b>
EXPENSES:									
Program services	7,104,319	-	7,104,319	-	-	-	7,104,319	-	7,104,319
Supporting services:									
Management and general	188,199	-	188,199	302,540	-	302,540	490,739	-	490,739
Fundraising	896,183	-	896,183	-	-	-	896,183	-	896,183
<b>TOTAL EXPENSES</b>	<b>8,188,701</b>	<b>-</b>	<b>8,188,701</b>	<b>302,540</b>	<b>-</b>	<b>302,540</b>	<b>8,491,241</b>	<b>-</b>	<b>8,491,241</b>
<b>CONSOLIDATED CHANGE IN NET ASSETS</b>	<b>1,023,548</b>	<b>(420,348)</b>	<b>603,200</b>	<b>(139,343)</b>	<b>-</b>	<b>(139,343)</b>	<b>463,857</b>	<b>-</b>	<b>463,857</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,278</b>
<b>CHANGE IN NET ASSETS ATTRIBUTABLE TO KRISTI HOUSE, INC. CONTROLLING INTEREST</b>	<b>\$ 1,023,548</b>	<b>\$ (420,348)</b>	<b>\$ 603,200</b>	<b>\$ (139,343)</b>	<b>\$ -</b>	<b>\$ (139,343)</b>	<b>\$ 463,857</b>	<b>\$ -</b>	<b>\$ 532,135</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>5,000,977</b>	<b>689,555</b>	<b>5,690,532</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,690,532</b>	<b>-</b>	<b>5,690,532</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68,278)</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 6,024,525</b>	<b>\$ 269,207</b>	<b>\$ 6,293,732</b>	<b>\$ (139,343)</b>	<b>\$ -</b>	<b>\$ (139,343)</b>	<b>\$ 6,154,389</b>	<b>\$ -</b>	<b>\$ 6,154,389</b>

See Independent Auditor's Report on Supplementary Information.

**KRISTI HOUSE, INC.**

**SINGLE AUDIT REPORT  
AND SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL  
ASSISTANCE**

**FOR THE YEAR ENDED  
JUNE 30, 2025**

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COLLABORATIVE FAMILY  
LAW INSTITUTE

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND CHAPTER 10.650 RULES OF THE AUDITOR GENERAL

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To the Board of Directors of  
Kristi House, Inc.  
Miami, Florida

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited Kristi House, Inc.’s (the “Organization”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* , and in the Department of Financial Services’ *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Organization’s major federal programs and state projects for the year ended June 30, 2025. The Organization’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 and state projects for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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); and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650 are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 and state project. Our audit does not provide a legal determination of the Organization'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 Organization's federal programs and state projects.

### ***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 the Organization'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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650 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 Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, 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 the Organization'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 the Organization'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 and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 or state project 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 or state project 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 or state project 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 and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.650 Rules of the Auditor General**

We have audited the consolidated financial statements of the Organization as of and for the year ended June 30, 2025, and we have issued our report thereon dated November 18, 2025 which contained an unmodified opinion on those consolidated financial statements. Our Audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.650, Rules of the Auditor General of the State of Florida and is 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*García Santa María De Armas Trujillo, PLLC*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
February 27, 2026

**KRISTI HOUSE, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

<i>Federal Agency Program or Project Title/ Pass Through Agency</i>	<i>ALN Number</i>	<i>Grant/ Contract Number</i>	<i>Expenditures</i>	<i>Transfers to Subrecipients</i>
<b>Expenditures of Federal Awards:</b>				
<b>U.S. Department of Health and Human Services:</b>				
<i>Passed-through Health Service Administration (Administration for Children and Families)</i>				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	1H79SM087906-01	\$ 579,382	\$ -
<b>Total U.S. Department of Health and Human Services</b>			<u>579,382</u>	<u>-</u>
<b>U.S. Department of Justice:</b>				
Services for Trafficking Victims Program	16.320	15POVC22GG03880HT	254,751	-
Services for Trafficking Victims Program	16.320	15POVC24GG01788HT	142,338	35,269
			<u>397,089</u>	<u>35,269</u>
<i>Passed-through Florida Department of Legal Affairs/Office of the Attorney General</i>				
Crime Victim Assistance Program	16.575	VOCA-2023-Kristi House-00275	417,064	-
Crime Victim Assistance Program	16.575	VOCA-2024-Kristi House-00090	785,333	-
			<u>1,202,397</u>	<u>-</u>
<i>Passed-through National Children's Alliance (NCA)</i>				
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	MIAMI-FL-MIL25	42,083	-
<b>Total U.S. Department of Justice</b>			<u>1,641,569</u>	<u>35,269</u>
<b>U.S. Department of Housing and Urban Development:</b>				
<i>Community Development Block Grants:</i>				
Passed-through City of Miami Gardens	14.218	B21MC120052	45,025	-
Economic Development Initiative, Community Project Funding, and Miscellaneous grants	14.251	B-24-CP-FL-0626	162,825	-
<b>Total U.S. Department of Housing and Urban Development</b>			<u>207,850</u>	<u>-</u>
<b>U.S. Department of Homeland Security:</b>				
<i>Passed-through United Way of Miami -Dade</i>				
Emergency Food and Shelter National Board Program	97.024	Phase 41	19,977	-
<b>Total U.S. Department of Homeland Security</b>			<u>19,977</u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 2,448,778</u>	<u>\$ 35,269</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

**KRISTI HOUSE, INC.**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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<i>State Grantor/Pass-through Program Title</i>	<i>CSFA Number</i>	<i>Award Number</i>	<i>Total Expenditure</i>
<b>STATE FINANCIAL ASSISTANCE:</b>			
<b>Department of Legal Affairs and Attorney General</b>			
<i>Passed through Florida Network of Children's Advocacy Centers</i>			
Florida Network of Children's Advocacy Centers	41.031	DCF GR CAC 25/26-CAC27	\$ 349,967
Florida Network of Children's Advocacy Centers	41.031	24/25-BTG CAC27	<u>610,696</u>
<b>Total Department of Legal Affairs and Attorney General</b>			<u>960,663</u>
<b>Department of Children and Families</b>			
Kristi House - Renovations to Main Building for UM Child Protection Team	60.326	WG079	1,000,000
<i>Passed through Florida Network of Children's Advocacy Centers</i>			
Florida Network of Children's Advocacy Centers	60.124	24-25-DCF-CAC-27	<u>17,455</u>
<b>Total Department of Children and Families</b>			<u>1,017,455</u>
<b>Department of Highway Safety and Motor Vehicles</b>			
Child Abuse Prevention and Intervention License Plate Project	76.067	24-25-LPVC-CAC-27	<u>6,237</u>
<b>Total Department of Highway Safety and Motor Vehicles</b>			<u>6,237</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>			<u><u>\$ 1,984,355</u></u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

**KRISTI HOUSE, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

**FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE A. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal award and state financial activity of Kristi House, Inc. (the "Organization") under programs of the federal and state government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of the Organization.

**NOTE B. SUMMARY OF ACCOUNTING PRINCIPLES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.650, *Rules Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**KRISTI HOUSE, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS AND STATE PROJECTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of Auditor’s report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

***Federal Awards***

Type of Auditor’s report issued on compliance for major program: *Unmodified*

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  yes  no

Identification of major programs:

<b>Federal Program or Cluster</b>	<b>ALN Number</b>	<b>Expenditures</b>
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	\$579,382
Dollar threshold used to distinguish between type A and type B programs.	\$750,000	
Auditee qualified as low-risk auditee?	Yes	

**KRISTI HOUSE, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS AND  
 STATE PROJECTS  
 FOR THE YEAR ENDED JUNE 30, 2025**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)**

*State Financial Assistance*

Type of Auditor’s report issued on compliance for major projects: *Unmodified*

Internal control over major projects:

Material weakness(es) identified?        yes   X   no

Significant deficiencies identified that are not considered to be material weaknesses?        yes   X   none reported

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 Rules of the Auditor General?        yes   X   no

Identification of major projects:

<b>State Project</b>	<b>CSFA Number</b>	<b>Expenditures</b>
Florida Network of Children's Advocacy Centers	41.031	\$960,663
Dollar threshold used to distinguish between type A and type B programs.		\$300,000

**SECTION II - FINANCIAL STATEMENT FINDINGS**

The audit disclosed no matters that are reportable for the current year.

**SECTION III – FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**

The audit disclosed no matters that are reportable for the current year.

**KRISTI HOUSE, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS AND**  
**STATE PROJECTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**SECTION IV – OTHER ISSUES**

1. No management letter was issued for the year ended June 30, 2025, because there were no findings required to be reported in the management letter, (Section 10.656(3)(e), Rules of the Auditor General).
2. A Summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to federal programs or state projects (Section 10.656(3)(d)5., Rules of the Auditor General).
3. A Corrective Action Plan is not required because there were no findings required to be reported under the OMB *Compliance Supplement* and Department of Financial Services' *State Project Compliance Supplement* (Section 10.656(3)(d)6., Rules of the Auditor General).