PRISM PROJECT
FINANCIAL STATEMENTS
FOR THE PERIODS JANUARY THROUGH DECEMBER 2024 & 2023

PRISM PROJECT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Prism Project

Opinion

We have audited the accompanying financial statements of Prism Project (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows, and functional expenses for the year 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 Prism Project as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Prism Project and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Hunt CPA & Advs LLC

Flint, Michigan

September 18, 2025

Prism Project
Statement of Financial Position
As of December 31, 2024 & 2023

	2024	2023
Assets		
Current Assets		
Cash (See note B)	119,792	82,055
Other Current Assets		
Gift Cards	118	107
Total Other Current Assets	118	107
Total Current Assets	119,910	82,162
Fixed Assets (See note G)		
Gate Entry System	15,689	15,689
Machinery & Equipment	1,836	1,836
Mission Ranch Capital Improvements	171,203	171,203
Mission Ranch Building	1,356,132	-
ROU Asset Mission Ranch Lease	-	602,925
2014 Chevrolet Van	20,035	20,035
Mission Ranch Fitness Room	11,800	-
Security Camera System	4,261	4,261
Accumulated Depreciation	(32,310)	(135,297)
Total Fixed Assets	1,548,646	680,652
Total assets	1,668,556	762,814

See independent auditors report and accompanying footnotes

Prism Project
Statement of Financial Position
As of December 31, 2024 & 2023

	2024	2023
Liabilities		
Accounts Payable (A/P)	1,428	-
Payroll Liabilities	(14)	-
MI Local Tax	12	-
MI Income Tax	8,139	16,994
MI Unemployment Tax	671	768
Total Payroll Liabilities	8,808	17,762
Credit Card Liabilities	44,911	25,194
Total Other Current Liabilities	55,147	42,956
Total Current Liabilities	55,147	42,956
Long-Term Liabilities		
Seller's Note - NGPP LLC	147,169	-
Mortgage - Facility and Property	1,183,784	-
Longterm Lease Liability	-	484,340
Total Long-Term Liabilities	1,330,953	484,340
Total Liabilities	1,386,100	527,296
Equity		
Opening Balance Equity	25	25
Restricted Income	2,300	300
ECO Paint the Light Fundraiser 2022	1,798	2,140
Homecoming & Spirit Week	165	-
Grant 2024 - Health & Wellness Expansion	4,449	-
Medical & Therapy Expense Restricted Income	-	-
Sarah's Garden	776	2,911
Total Restricted Income	9,488	5,351
Retained earnings	230,143	187,011
Net Revenue	42,798	43,131
Total Equity	282,454	235,518
Total Liabilities and Equity	1,668,556	762,814

See independent auditors report and accompanying footnotes

Prism Project
Statement of Activity
For the period January through December 31, 2024 & 2023

	2024	2023
Revenues		
Fundraising Income	58,925	56,163
In-Kind Service Income	64,192	13,652
Income Released from Restrictions	35,138	32,639
Income Unrestricted	76,047	148,523
Program Reimbursement Income	991,332	607,781
Sales of Product Revenue	-	10
Total Revenue	1,225,634	858,768
Gross Profit	1,225,634	858,768
Expenditures		
Advertising & Marketing	768	807
Background Checks	14	132
Bank Charges & Fees	7,957	1,385
Client Personal Consumables	905	130
Client Professional Services	-	425
Clothing for Clients	1,317	315
Communications	4,455	3,017
Education Expense	5,927	18,784
Equipment	-	1,350
Food & Household Supplies	23,452	19,401
Free to Dream Festival Expense	-	430
Fuel Expense	-	907
Fundraising Expense	18,310	22,758
Household Items	4,307	3,023
Insurance	31,566	26,472
Interest Paid	5,822	610
Medical Supplies & Expense	1,608	3,269
Melio Service Fees	-	30
Legal & Professional Services	14,200	5,310
Mission Ranch Program Expense	68,125	43
Office Expenses	192	33
Other Business Expenses	150	4,236
Salaries and labor	743,606	449,145
Taxes	64,235	38,653
Payroll Expenses	1,988	690
Rent Expense	-	5,000
Repairs & Maintenance	14,295	6,370

Reimbursements	3,305	-
Security and Surveillance Expense	6,417	429
Service Cost	-	2,817
Staff Training	2,871	-
Taxes & Licenses	176	19,365
Therapy Expense	50,534	25,263
Transportation and Vehicle Expense	5,088	2,020
Utilities	17,819	14,818
Volunteer Expense	-	5,246
Amortization Expense - ROU Asset	100,488	120,585
Depreciation Expense	25,174	14,651
Total Expenditures	**1,225,071**	**817,918**
Net Operating Revenue	563	40,850
Other Revenue		
Other Miscellaneous Revenue	72	2,281
Gain on closing of ROU Asset	42,163	-
Total Other Revenue	42,235	2,281
Net Revenue	42,798	43,131
Total expenditures	1,225,071	817,918
Net revenue	$ 42,798	$ 43,131

See independent auditors report and accompanying footnotes

Prism Project
Statement of Cash Flows
For the period January through December 31, 2024 & 2023

	2024	2023
	Total	**Total**
OPERATING ACTIVITIES		
Net Revenue	42,798	43,131
Adjustments to reconcile Net Revenue to Net Cash provided by operations:		
Gift Cards	(11)	37
Accumulated Depreciation & Amortization	(102,987)	135,236
Accounts Payable	1,428	(3,268)
Credit Card Payable	19,718	25,194
Payroll Liabilities:MI Income Tax	(8,855)	14,860
Payroll Liabilities:MI Unemployment Tax	(97)	645
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	**(90,804)**	**172,704**
Net cash provided by operating activities	**(48,006)**	**215,835**
INVESTING ACTIVITIES		
Mission Ranch Building & Property	(1,356,132)	(36,717)
ROU Asset Mission Ranch Lease Purchase	602,925	
of Property & Equipment Reciept of	(11,800)	-
Property & Equipment Donations	**(765,007)**	**(36,717)**
Net cash used by investing activities		
FINANCING ACTIVITIES	(484,340)	(118,585)
Restricted Income	2,000	-
Longterm Lease Liability	147,169	-
Seller's Note - NGPP LLC	1,183,784	-
State Bank Mortgage - Facility & Property		
Restricted Income:ECO Paint the Light Fundraiser 2022	(342)	-
Restricted Income:Homecoming & Spirit Week	165	-
Restricted Income:Impact 100 Grant 2024 - Health & Wellness Expansion	4,449	-
Cash Received from Restricted Contributions	(2,135)	300
Cash Paid from Restricted Contributions		(4,139)
Net cash (used) / provided by financing activities	**850,750**	**122,424**
Net cash increase for period	**37,737**	**56,695**
Cash at beginning of period	**82,055**	**25,360**
Cash at end of period	**119,792**	**82,055**

See independent auditors report and accompanying footnotes

Prism Project
Statement of Functional Expenses
For the period January through December 31, 2024

	Programs	G&A	Fundraising	Total
Expenses				
Salary		743,606	-	743,606
Payroll taxes		64,235 -	-	64,235
Advertising	-		768	768
Background Checks	14	-	-	14
Office expenses		192	-	192
Other business expense		150	-	150
Depreciation expense		25,174	-	25,174
Amortization Expense - ROU Asset		100,488	-	100,488
Equipment	-	-	-	-
Fuel Expense	-	-	-	-
Rent Expense	-	-	-	-
Insurance expense	31,566	-	-	31,566
Household items	4,307	-	-	4,307
Client personal expense	2,222	-	-	2,222
Material & supplies	23,452	-	-	23,452
Volunteer expense	-	-	-	-
Utilities	17,819	-	-	17,819
Repairs & maintenance	14,295	-	-	14,295
Security expense	6,417	-	-	6,417
Service Costs	-	-	-	-
Transportation & vehicle expense	5,088	-	-	5,088
Staff training	2,871	-	-	2,871
Legal & professional	-	14,200	-	14,200
Fundraising expenses	-	-	18,310	18,310
Bank charges & fees	-	7,957	-	7,957
Interest Expense	-	5,822	-	5,822
Communication expense	4,455	-	-	4,455
Therapy Expense	50,534	-	-	50,534
Education & Activity Expense	5,927	-	-	5,927
Payroll software fees	-	1,988	-	1,988
Processing fees	-	-	-	-
Reimbursable Expenses	3,305	-	-	3,305
Medical supplies	1,608	-	-	1,608
Taxes & licenses	-	176	-	176
Mission Ranch Program Expense	68,125	-	-	68,125
Total Expenses	**242,005**	**963,988**	**19,078**	**$ 1,225,071**

See independent auditors report and accompanying footnotes

Prism Project
Statement of Functional Expenses
For the period January through December 31, 2023

	Programs	G&A	Fundraising	Total
Expenses				
Salary	-	449,145	-	449,145
Payroll taxes	-	38,653	-	38,653
Advertising	-	-	1,237	1,237
Background Checks	132	-	-	132
Office expenses	-	33	-	33
Other business expense	-	2,361	-	2,361
Depreciation expense	-	14,651	-	14,651
Amortization Expense - ROU Asset	-	120,585	-	120,585
Equipment	1,350	-	-	1,350
Fuel Expense	907	-	-	907
Rent Expense	5,000	-	-	5,000
Insurance expense	26,472	-	-	26,472
Household items	3,023	-	-	3,023
Client personal expense	488	-	-	488
Material & supplies	19,401	-	-	19,401
Volunteer expense	5,246	-	-	5,246
Utilities	14,719	-	-	14,719
Repairs & maintenance	6,369	-	-	6,369
Security expense	429	-	-	429
Service Costs	2,817	-	-	2,817
Transportation & vehicle expens	2,020	-	-	2,020
Staff training	12,063	-	-	12,063
Legal & professional	-	5,735	-	5,735
Fundraising expenses	-	-	22,758	22,758
Bank charges & fees	-	1,385	-	1,385
Interest Expense	-	610	-	610
Communication expense	3,017	-	-	3,017
Therapy Expense	25,263	-	-	25,263
Education & Activity Expense	6,721	-	-	6,721
Payroll software fees	-	690	-	690
Processing fees	30	-	-	30
Reimbursable Expenses	1,974	-	-	1,974
Medical supplies	3,269	-	-	3,269
Taxes & licenses	-	19,365	-	19,365
Total Expenses	**140,709**	**653,214**	**23,994**	**$ 817,918**

See independent auditors report and accompanying footnotes

PRISM PROJECT

NOTES TO FINANCIAL STATEMENTS

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Prism Project (the Organization) brings education and awareness about human trafficking to the general public and provides a long-term safe house for minors who have been sex trafficked where they can receive the comprehensive care necessary to heal and thrive in life after rescue.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Cash Equivalents Restricted to Purchase Property and Equipment

Cash equivalents restricted to purchase property and equipment have been restricted by donors and are not available for operating purposes.

Property and Equipment

The Organization capitalizes property and equipment over $1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are capitalized at their estimated fair value at the date contributed. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to 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 contributions with donor restrictions. 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. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five years for furniture and vehicles to thirty years for buildings.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

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.

NOTE B-CASH AND CASH EQUIVALENTS

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the amounts shown in the statement of cash flows:

	2024	2023
Cash and cash equivalents – Unrestricted	$110,304	$76,411
Cash equivalents – Restricted	$ 9,488	$5,351
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	$119,792	$81,762

NOTE C-RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods:

Subject to expenditure for specified purposes:	2024	2023
Purchase of art therapy supplies	$1,798	$2,140
Purchase of medical equipment	$ 4,449	-
Purchase of birthday & girls items	$2,465	$300
Purchase of supplies for Sarah's Garden project	$ 776	$2,911
Total restricted net assets	$ 9,488	$5,351

Subject to expenditure for specified purposes:

NOTE D-LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	2024	2023
Financial assets at year-end	$119,792	$82,055
Less those unavailable for general expenditures within one year, due to:		
Donor-restricted to purchase of art therapy supplies	$1,798	$2,139
Donor-restricted to purchase of birthday & girls items	$2,465	$300
Donor-restricted to purchase of medical equipment	$4,449	-

Donor-restricted to purchase of supplies for Sarah's garden project	$776	$2,911
Financial assets available to meet cash needs for general expenditure within one year	$110,304	$76,704

NOTE E-PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2024	2023
Gate Entry System	$15,689	$15,689
2014 Chevrolet Van	$20,035	$20,035
Security Camera System	$4,261	$4,261
Machinery & Equipment	$1,836	$1,836
ROU Asset Mission Ranch Capital Improvements	-	$602,925
Mission Ranch Building	$1,356,965	-
Mission Ranch Capital Improvements	$171,203	$171,203
Fixed Assets	$1,581,789	$815,949
Accumulated depreciation	$32,310	$135,297
Total Fixed Assets	$1,669,389	$680,652

NOTE F-DEBT

The organization's long-term debt consists of the following:

Mortgage note payable in fixed monthly installments plus interest at 7.25%		$1,183,784
Note payable with seller for purchase of facility		$147,169

The $1,183,784 note is secured by substantially all of the Organization's assets and contains no restrictive covenants covering the Organization's financial position.

NOTE G-EVALUATION OF SUBSEQUENT EVENTS

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