CHRISTIE'S PLACE

(A NON-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS, INDEPENDENT AUDITOR'S REPORT AND UNIFORM GUIDANCE REPORTS

FOR THE YEAR ENDED JUNE 30, 2024

LICHTER, YU AND ASSOCIATES, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Christie's Place
San Diego, California

Members of the Board:

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Christie's Place (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Christie's Place as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to 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 Christie's Place 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 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 the Christie's Place's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Christie's Place'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 the Christie's Place's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2025, on our consideration of the Christie's Place'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 Christie's Place'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 Christie's Place's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the June 30, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Woodland Hills, California
February 18, 2025

CHRISTIE'S PLACE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

ASSETS

	June 30, 2024	June 30, 2023
Cash	$ 635,929	$ 646,381
Government grants receivable	155,240	263,937
Prepaid expenses	24,914	5,119
Finance lease right-of-use asset, net of accumulated amortization	35,551	52,847
Operating lease right-of-use-asset, net of accumulated amortization	54,559	-
Fixed assets, net	459,905	473,508
Total Assets	$ 1,366,098	$ 1,441,792

LIABILITIES AND NET ASSETS

	2024	2023
LIABILITIES:		
Accounts payable	$ 63,670	$ 8,239
Accrued expenses	32,786	36,625
Finance lease liability	42,205	53,222
Operating lease liability	55,759	-
Mortgage payable	197,649	213,787
Total Liabilities	392,069	311,873
NET ASSETS:		
Without donor restrictions	668,224	584,194
With donor restrictions	305,805	545,725
Total Net Assets	974,029	1,129,919
Total Liabilities and Net Assets	$ 1,366,098	$ 1,441,792

See accompanying Notes to Financial Statements

CHRISTIE'S PLACE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total June 30, 2024	Total June 30, 2023
REVENUE AND SUPPORT				
Government grants	$ 1,071,260	$ -	$ 1,071,260	$ 1,235,148
Other grants	317,284	100,000	417,284	668,267
Other income	5,850	-	5,850	1,889
Contributions	11,183	-	11,183	9,839
In-kind contributions	19,640	-	19,640	665
Special events (net of expenses of $0 and $5,243)	40,309	-	40,309	67,805
Net assets released from restrictions	339,920	(339,920)	-	-
Total Revenue and Support	1,805,446	(239,920)	1,565,526	1,983,613
Functional Expenses				
Program services	1,502,385	-	1,502,385	1,614,927
Management and general	185,218	-	185,218	86,019
Fundraising	33,813	-	33,813	11,437
Total Functional Expenses	1,721,416	-	1,721,416	1,712,383
CHANGE IN NET ASSETS	84,030	(239,920)	(155,890)	271,230
NET ASSETS - Beginning of Year	584,194	545,725	1,129,919	858,689
NET ASSETS - End of Year	$ 668,224	$ 305,805	$ 974,029	$ 1,129,919

See accompanying Notes to Financial Statements

CHRISTIE'S PLACE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	Programs Services			Supporting Services			Total	
	Coordinated HIV Services for Women & Families	Empowerment, Networking & Trainings	Total Program	General	Fundraising	Total Supporting Services	2024	2023
Salaries	$ 698,408	$ 246,667	$ 945,075	$ 38,499	$ 14,500	$ 52,999	$ 998,074	$ 1,002,337
Payroll taxes	51,472	19,319	70,791	3,080	1,393	4,473	75,264	83,928
Employee benefits	61,845	25,134	86,979	27,316	955	28,271	115,250	65,703
Total Salaries and Related Expenses	811,725	291,120	1,102,845	68,895	16,848	85,743	1,188,588	1,151,968
Bank fees	-	-	-	309	-	309	309	559
Client services	17,586	45,368	62,954	16,350	-	16,350	79,304	92,308
Conference and community events	-	23,058	23,058	4,120	-	4,120	27,178	21,829
Consultants and professional fees	19,147	48,284	67,431	40,604	15,175	55,779	123,210	142,286
Equipment	1,770	329	2,099	-	-	-	2,099	14,281
Equipment rental and amortization expense	13,294	-	13,294	5,017	-	5,017	18,311	14,709
General insurance	19,932	359	20,291	-		-	20,291	27,203
Interest	-	-	-	16,199	-	16,199	16,199	13,564
Internet expenses	11,572	1,553	13,125	-	-	-	13,125	13,353
Miscellaneous	5,122	3,653	8,775	1,060	1,538	2,598	11,373	10,713
Occupancy expenses	52,773	4,949	57,722	632	238	870	58,592	57,441
Office supplies	7,440	3,485	10,925	-	-	-	10,925	8,134
Printing and copying	3,585	977	4,562	15	-	15	4,577	8,184
Repairs and maintenance	9,587	646	10,233	5,637	-	5,637	15,870	4,211
Staff development & appreciation	12,825	3,035	15,860	6,481	-	6,481	22,341	15,771
Storage	4,080	-	4,080	-	-	-	4,080	3,786
Subcontractors	-	17,058	17,058	-	-	-	17,058	30,788
Supplies	11,165	27,718	38,883	6,235	-	6,235	45,118	41,066
Telephone	13,502	2,189	15,691	36	14	50	15,741	15,100
Travel and mileage	4,625	8,874	13,499	25		25	13,524	11,526
Total Expenses Before Depreciation	1,019,730	482,655	1,502,385	171,615	33,813	205,428	1,707,813	1,698,780
Depreciation	-	-	-	13,603	-	13,603	13,603	13,603
Total Expenses	$ 1,019,730	$ 482,655	$ 1,502,385	$ 185,218	$ 33,813	$ 219,031	$ 1,721,416	$ 1,712,383

See accompanying Notes to Financial Statements

CHRISTIE'S PLACE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	June 30, 2024	June 30, 2023
OPERATING ACTIVITIES		
Change in net assets	$ (155,890)	$ 271,230
Adjustments to reconcile change in net assets to net cash provided by operating activites		
Depreciation	13,603	13,603
Non cash finance lease expense	6,279	374
Non cash operating lease expense	1,200	-
Changes in assets and liabilities		
Government grants receivable	108,697	(115,127)
Prepaid expenses	(19,795)	110
Accounts payable and accrued expenses	51,592	(20,166)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5,686	150,024
FINANCING ACTIVITIES		
Payment on mortgage payable	(16,138)	(14,535)
NET CASH USED IN FINANCING ACTIVITIES	(16,138)	(14,535)
NET (DECREASE) INCREASE IN CASH	(10,452)	135,489
CASH at beginning of period	646,381	510,892
CASH at end of period	$ 635,929	$ 646,381
SUPPLEMENTAL INFORMATION		
Interest expense paid	$ 17,058	$ 13,564
NONCASH TRANSACTIONS FROM INVESTING AND FINANCING ACTIVITIES		
Establishment of Operating Right-of-Use-Asset and Lease Liability	$ 83,638	$ -
Establishment of Finance Right-of-Use-Asset and Lease Liability	$ -	$ 58,612

See accompanying Notes to Financial Statements

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

Christie's Place (the Organization) is a California non-profit corporation, organized in May 1997 under the Non-Profit Public Benefit Corporation Law for charitable purposes. The Organization operates in San Diego County and provides comprehensive HIV/AIDS education, behavioral health care, social services, and advocacy. The mission of the Organization is to empower women, children, families and individuals whose lives have been impacted by HIV/AIDS to take charge of their health and wellness.

The Organization maintains facilities in San Diego that provide an array of services in a safe, supportive, home-like environment. Clients visit the Organization on a daily basis for information, support, and to access services all in one stop. At Christie's Place, clients can access a substantial range of services provided by a network of collaborative partners that empower women and families to help themselves and each other. The Organization brings clients out of isolation, provides mutual support and ensures access to the full continuum of HIV care and treatment.

The Organization's programs are funded by a combination of grants from governmental agencies, foundations, and public donations.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Organization has presented unclassified combined statements of financial position.

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

> Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions.
>
> Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or through the passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Summarized Financial Information for 2023

The accompanying financial information as of and for the year ended June 30, 2023, is presented for comparative purposes only and is not intended to represent a complete financial statement presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Grants and contracts awarded by federal and other sponsors, which are generally considered nonreciprocal transactions restricted by sponsors for certain purposes, are recognized as revenue when qualifying expenditures are incurred and conditions under the agreements are met. The Organization has elected the simultaneous release policy, which allows a not-for-profit Organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized. The Organization recognizes reimbursement of facilities and administrative costs relating to government and other contracts and grants at authorized rates each year. Although not a condition or barrier to revenue recognition, all funds expended in connection with government grants and contracts are subject to audit by granting agencies. In the opinion of management, any potential liability resulting from these audits will not have a material effect on the Organization's financial position. Amounts received in excess of revenue recognized are recorded as deferred revenue. Total revenue from grants and contracts recognized in net assets without donor restrictions was $1,388,544 and $1,353,415 for the years ended June 30, 2024 and 2023, respectively. Payments received from sponsors in advance of conditions being met are reported as deferred revenue, there was no deferred revenue as of June 30, 2024 and 2023.

Contributions, including unconditional promises to give, are recognized upon receipt at fair value. Contributions other than cash are recorded at fair value at the date of contribution. Contributions with donor-imposed restrictions are reported as revenues with donor restrictions and are reclassified to net assets without donor restrictions when an expenditure is incurred that satisfies the restriction or the designated time elapses.

Event revenue is recognized in the period in which the event occurs, and the Organization's performance obligation has been met.

Donated goods and services that would typically need to be purchased if not donated are recognized in the accompanying financial statements as contributions when such goods and services (a) enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills. Donated goods and services are recorded at estimated fair market value on the date of the gift. Contributed auxiliary services are not reflected in the financial statements. The Organization pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization. Details for the donated in-kind contributions recorded at their estimated fair market values are as follows:

	June 30, 2024	June 30, 2023
Professional services	$ 13,140	$ -
Program supplies	6,500	665
	$ 19,640	$ 665

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalent.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents and investment balances. The Organization has established guidelines relative to diversification that seek to maintain safety and liquidity. Cash and cash equivalent and investment balances exceed federally insured amounts during the year. Investment securities, in general, are exposed to various risks, including interest rate, credit and overall market volatility. It is reasonably possible that changes in the values of investments will occur in the near term, and such changes could materially affect the amounts reported in the combined Statement of Financial Position.

Approximately 63% of the Organization's contribution and grant revenue was received from one government grant for the fiscal year ended June 30, 2024.

One grantor comprised 100% of the government grants receivable for the fiscal year ended June 30, 2024.

Accounts Receivable

Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, if any, represents their estimated net realizable value. The allowance for doubtful accounts, if any, is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past due receivable balances are written-off when internal collection efforts have been unsuccessful in collecting the amount due. There were no accounts receivable at June 30, 2024 and 2023.

Government Grants Receivable

Revenue from government grants is recorded to the extent of the expenses incurred under the grant for cost reimbursement grants, or service periods for fee-for-service grants. Any difference in expenses incurred and services provided, and the total funds received under the grants are recorded as receivable from the granting agencies to the extent of the grant awards. Any funds received in excess of expenditure are recorded as deferred revenue.

The total amount of grants receivable of $155,240 and $263,937 as of June 30, 2024 and 2023, respectively consists of grants from government agencies which are deemed fully collectible within one year.

Right-of-Use Assets and Lease Liabilities

Lease liabilities are initially measured at the present value of minimum lease payments using a risk-free rate that approximates the remaining term of the lease. The right-of-use asset is the lease liability adjusted for other lease-related accounts. Management considered the likelihood of exercising renewal or termination clauses (if any) in measuring the Organization’s right-of-use assets and lease liabilities. Operating lease expense and finance lease amortization expense is allocated over the remaining lease term on a straight-line basis. Finance lease interest expense is calculated using a risk-free rate that approximates the remaining term of the lease multiplied by the outstanding finance lease liability.

The Organization considers lease with initial terms of twelve months or less, and no option to purchase the underlying asset, to be short-term leases. Accordingly, short-term lease costs are expensed over the remaining lease term, with no corresponding right-of-use asset or lease liability. In addition, the Organization does not separate non-lease components from lease components (if any) when determining the payments for leases of office equipment.

Fixed Assets

Fixed assets are unrestricted and carried at cost or, if donated, at the approximate fair market value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Property and equipment are capitalized if the cost of an asset is greater than or equal to $500 and the useful life is greater than one year. Depreciation is computed using the straight-line method over the estimated useful life of the asset, as follows: furniture, fixtures and equipment over 3 to 10 years and buildings over 31 to 40 years.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Revenues and Other Support, Expenses, and Changes in Net Assets, and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited in a manner management believes to be reasonable and appropriate.

Income Taxes

The Organization is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue and Taxation Code of the State of California. Therefore, no provision for federal or California income tax is reflected in the financial statements.

The Organization follows the provisions of FASB ASC 740-10, *Income Taxes*, and accordingly, the Organization accounts for uncertain tax positions by recording a liability for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in its tax returns. The Organization recognizes the effect of income tax positions only if those positions are more likely than not of being sustained by the appropriate taxing authorities. The Organization does not believe that its financial statements include any uncertain tax positions and accordingly, has not recognized any liability for unrecognized tax benefits in the accompanying financial statements.

Fair Value Measurements

The Organization applies accounting principles generally accepted in the United States of America (GAAP) for fair value measurements of financial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. Fair value is defined as the price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. GAAP establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 - Observable inputs such as quoted prices in active markets;

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

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

The level in the fair value hierarchy within which a fair value measurement in its entirely falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Organization's statements of financial position did not have financial instruments that required to be measured at fair value on a recurring basis.

Recently Adopted Accounting Pronouncement

The Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases (Topic 842)*. Effective July 1, 2022, the Organization adopted FASB ASC 842, *Leases* using the modifies retrospective approach with July 1, 2022, as the initial date of application. Management has elected to apply all practical expedients available under the new guidance, which allows the Organization to: (1) not reassess whether any expired or existing contracts previously assessed as not containing leases are, or contain, leases: (2) not reassess the lease classification for any expired or existing leases: (3) not reassess initial direct costs for any existing leases. The Organization also elected to apply the practical expedient to use hindsight in determining the lease term.

Reclassification

Certain prior period amounts have been reclassified to conform to the fiscal year ended June 30, 2024 presentation.

Note 3 - Cash

The Organization maintains its cash balances at Bank of America located in San Diego, California. As of June 30, 2024 and 2023, the balances were insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2024 and 2023, the Organization had approximately $386,000 and $396,000 in uninsured cash balances held at the bank, respectively. No reserve has been made on the financial statements for any possible loss due to any financial institution failure. The Organization's management believes that the financial institutions holding its cash balances are financially secure.

Note 4 - Fixed Assets

Fixed assets consist of the following:

	June 30, 2024	June 30, 2023
Furniture and Equipment	$ 21,832	$ 21,832
Building Improvements	83,080	83,080
Building and Land	607,284	607,284
	712,196	712,196
Accumulated Depreciation	(252,291)	(238,688)
	$ 459,905	$ 473,508

Depreciation expenses was $13,603 and $13,603 for the years ended June 30, 2024 and 2023.

Note 5 - Compensated Absences

All regular full-time and part-time employees are eligible for paid vacation time. The rate of accrual is based on length of employment and prorated by full-time equivalency. The rates of accrual for full-time employees are as follows:

Months of Employment	Monthly Accrual Rate (Hours)	Vacation Accrual Cap
0-24	6.67	160 Hours
25-48	10	160 Hours
48 or more	13.33	160 Hours

Once an employee has reached his or her vacation accrual cap, no additional time will be accrued until some vacation time is used. The date of hire will be considered the anniversary date for vacation purposes. Upon termination, employees are paid for any accumulated unpaid vacation leave. As of June 30, 2024 and 2023, vacation liability exists in the amount of $27,255 and $33,794 respectively.

Note 6 – Accrued Expenses

Accrued expenses at June 30, 2024 and 2023, consisted of the following:

	June 30, 2024	**June 30, 2023**
Accrued expenses	$ 2,656	$ 330
Employee benefits	2,875	2,501
Accrued vacation	27,255	33,794
	$ 32,786	$ 36,625

Note 7 – Employee Benefit Plan

The Organization provides a 401(k) plan (the Plan) for substantially all employees. In addition to employee contributions, The Organization makes matching contribution to the Plan up to 3% of each participant's annual compensation. All employees who work at least 1,000 hours per year and are at least 21 years of age and have completed 3 months of service are eligible to participate. Contributions made by the Organization to the Plan totaled $18,840 and $18,491 for the years ended June 30, 2024 and 2023, respectively.

Note 8 – Mortgage Payable

In June of 2003, the Organization purchased a building in the amount of $600,000 to be used as its primary location for program and support services. The building was purchased with a mortgage payable to Bank of America of $450,000, subsequently refinance on August 3, 2013 in the amount of $340,000. This mortgage was subsequently refinanced for $213,787 with Bank of America on June 1, 2023 with interest rate at 5.91% and monthly payments of $2,365 beginning July 1, 2023 until June 1, 2028 when the final payment of approximately $124,240 is due. The mortgage note is a first trust deed secured by the Organization's building. As of June 30, 2024 and 2023, loan balance was $197,649 and $213,787 respectively.

As of June 30, 2024 and 2023, total mortgage payable were as follows:

	June 30, 2024	June 30, 2023
Current portion	$ 17,155	$ 16,173
Long term portion	180,494	197,614
Total due	$ 197,649	$ 213,787

Maturity of this loans is as follows as of June 30, 2024:

June 30,	
2025	$ 17,155
2026	18,197
2027	19,302
2028	142,995
	$ 197,649

Note 9 - 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 within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

	June 30, 2024
Financial assets:	
Cash and cash equivalents	$ 635,929
Government grants receivable, current portion	155,240
Less contractual or donor-imposed restrictions:	
Donor restrictions for specific purpose and time	(305,805)
Financial assets available within one year of the statement of financial position date for general expenditure	$ 485,364

As part of the Organization's liquidity management, it will structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 10 – Net Assets with Donor Restrictions

In June of 2003, the Organization entered into an agreement with the City of San Diego for a Community Development Block Grant (CDBG). This agreement was a grant for $147,000. The general purpose of the CDBG was for the Organization to use the funds as a down payment towards the acquisition of a facility to be used as a support center for families living with HIV/AIDS.

Terms of the Agreement require the Organization to: (1) use of facility as a support center for families living with HIV/AIDS, (2) to reimburse the City for its contribution to the purchase of the facility should the organization dispose of the property or no longer provide support services for families living with HIV/AIDS.

Net assets with donor restrictions consist of the following:

	June 30, 2023	Additions	Expenditure/ Release	June 30, 2024
CDBG Grant	$ 147,000	$ -	$ -	$ 147,000
Gilead	344,307	-	(224,023)	120,284
Viiv	54,418	100,000	(115,897)	38,521
	$ 545,725	$ 100,000	$ (339,920)	$ 305,805

Note 11 - Leases

Operating Lease

The Organization was obligated under an operating lease agreement for their office space through June 30, 2024. The Organization renewed the lease for 36 months on July 1, 2023. The renewal was not part of the original lease agreement.

Total operating lease cost was $29,664 for the fiscal year ended June 30, 2024. Total cash flows from the operating lease were $28,646 for the fiscal year ended June 30, 2024.

Maturity of the operating lease liability as of June 30, 2024, is as follows:

For the Fiscal Years Ending June 30,	Amount
2025	$ 29,664
2026	30,864
Total Undiscounted Minimum Lease Payments	60,528
Less Discount to Present Value	(4,769)
Total Operating Lease Liability	$ 55,759

The supplementary qualitative operating lease information is as follows:

Supplementay Qualitative Operating Lease Information	Amount
Remaining Lease Term (Years)	2
Risk Free Discount Rate	4.00%

Finance Lease

The Organization was obligated under a non-cancelable finance lease for certain office equipment through January 2028. Amortization on the finance right-of-use asset totaled $17,295 and is included in the equipment rental and amortization expense on the statement of functional expenses for the fiscal year ended June 30, 2024. The accumulated amortization on the finance right-of-use asset was $23,061 as of June 30, 2024. Interest expense on the finance lease liability totaled $1,398 for the fiscal year ended June 30, 2024.

Maturity of the finance lease liability as of June 30, 2024, is as follows:

For the Fiscal Years Ending June 30,	Amount
2025	$ 12,415
2026	12,415
2027	12,415
2028	7,242
Total Undiscounted Minimum Lease Payments	44,487
Less Discount to Present Value	(2,282)
Total Finance Lease Liability	$ 42,205

The supplementary qualitative finance lease information is as follows:

Supplementay Qualitative Finance Lease Information	Amount
Interest paid for Amounts Included in the Measurement of Finance Lease Liabilities - Operating Cash Flows	$ 817
Remaining Lease Term (Years)	3.58
Risk Free Discount Rate	2.90%

Note 12 – Subsequent Events

The Organization has evaluated subsequent events through February 18, 2025, which is the date the financial statements were available to be issued. The Organization is not aware of any subsequent events that require recognition or disclosure in the financial statements.

CHRISTIE'S PLACE

(A NON-PROFIT ORGANIZATION)

UNIFORM GUIDANCE REPORTS

JUNE 30, 2024

LICHTER, YU AND ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

20700 VENTURA BLVD., SUITE 236
WOODLAND HILLS, CA 91364
TEL (818)789-0265 FAX (818) 789-3949

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

To the Board of Directors
Christie's Place
San Diego, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Christie's Place (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Christie's Place'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 Christie's Place's internal control. Accordingly, we do not express an opinion on the effectiveness of the Christie's Place'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Christie's Place's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Woodland Hills, California
February 18, 2025

LICHTER, YU AND ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

20700 VENTURA BLVD., SUITE 236
WOODLAND HILLS, CA 91364
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors
Christie's Place
San Diego, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Christie's Place's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Christie's Place's major federal programs for the year ended June 30, 2024. Christie's Place's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Christie's Place and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Christie's Place'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 Christie's Place's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Christie's Place'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 Christie's Place's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Christie's Place's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Luther, Yu & Associates

Woodland Hills, California
February 18, 2025

CHRISTIE'S PLACE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/ Federal Program or Cluster Title Pass-Through Grantor/ Grant Name	Grants Number	Federal CFDA Number		Federal Expenditures
MAJOR PROGRAMS				
U.S. Department of Health and Human Services				
County of San Diego				
HIV, STD & Hepatitis Branch of Public Health Services				
Ryan White Treatment Modernization Act Funds				
Ryan White Treatment Extension Act of 2009				
Direct Contract	557753	93.914	$	985,050
Total Major Programs			**$**	**985,050**
NONMAJOR PROGRAMS				
U.S. Department of Health and Human Services				
County of San Diego				
HIV, STD & Hepatitis Branch of Public Health Services				
Ending the HIV Epidemic: A Play for America				
HRSA 20-078 End the HIV Epidemic				
Direct Contract	565588	93.686	$	44,508
	Total Expenditure of Federal Awards		**$**	**1,029,558**

The accompanying notes are an integral part of the schedule of expenditures of federal awards

CHRISTIE'S PLACE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A – Basis of Accounting

The accompanying restated Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activities of Christie's Place (the Organization) for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Christie's Place, it is not intended to and does not present the statements of financial positions, activities, functional expenses, or cash flows.

Note B – Summary of Significant Accounting Policies

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, where certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

The Organization elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CHRISTIE'S PLACE
(A NON-PROFIT ORGANIZATION)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section 1 - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	____	Yes	X	None reported
Significant deficiency(ies) identified?	____	Yes	X	None reported
Noncompliance material to financial statements noted?	____	Yes	X	None reported

Federal Awards:

Internal control over major programs:				
Material weakness(es) identified?	____	Yes	X	None reported
Significant deficiency(ies) identified?	____	Yes	X	None reported
Type of auditor's report issued on compliance for major program	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____	Yes	X	None reported

Identification of Major Programs:

CFDA Number(s)	Name of Federal Program or Cluster
93.914	Ryan White Treatment Extension Act of 2009 County of San Diego HIV, STD & Hepatitis Branch of Public Health Service Ryan White Treatment Modernization Act Funds

Dollar Threshold Used to Distinguish between Type A and Type B Programs: $750,000

Auditee qualifies as low-risk auditee?	X	Yes	____	No

CHRISTIE'S PLACE
(A NON-PROFIT ORGANIZATION)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section 2 - Financial Statement Findings

No reportable conditions, material weakness, and instances of noncompliance were identified that related to the financial statements and that were required to be reported.

Section 3 - Federal Award Findings and Questioned Costs

No reportable conditions, material weakness, and instances of noncompliance, including questioned costs were identified that realted to the Federal Awards and that were required to be reported by 2 CFR 200.516(a).

Section 4 - Auditee's summary schedule of prior audit findings required to be reported in accordance with 2 CFR

There were no findings or recommendations in the prior year that require follow-up in the current year.