**PEACE PROMISE, INC.,**
**PEACE PROMISE VENTURES, LLC, and PEACE PROMISE ENTERPRISES, LLC**
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2025
AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**HAMILTON & MUSSER, P.C.**
*Certified Public Accountants*

**PEACE PROMISE, INC.,**
**PEACE PROMISE VENTURES, LLC, and PEACE PROMISE ENTERPRISES, LLC**
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For the Year Ended December 31, 2025

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HAMILTON & MUSSER, PC
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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors of
Peace Promise, Inc., Peace Promise Ventures, LLC,
and Peace Promise Enterprises, LLC
Mechanicsburg, Pennsylvania

We have reviewed the accompanying consolidated financial statements of Peace Promise, Inc. (a nonprofit organization), Peace Promise Ventures, LLC (a corporation), and Peace Promise Enterprises, LLC (a corporation), which comprise the consolidated statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2025, and the related consolidated statements of support, revenue, and expenses – modified cash basis and functional expenses – modified cash basis for the year then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of consolidated financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with the modified cash basis of accounting. The procedures we performed were based on our professional judgment and consisted primarily of analytical procedures and inquiries. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Peace Promise, Inc., Peace Promise Ventures, LLC, and Peace Promise Enterprises, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with the modified cash basis of accounting.

**Basis of Accounting**

We draw attention to Note 1 of the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Hamilton & Musser, P.C.

October 2, 2026

Mechanicsburg, Pennsylvania *Certified Public Accountants*

**PEACE PROMISE, INC.,**
**PEACE PROMISE VENTURES, LLC, and PEACE PROMISE ENTERPRISES, LLC**
Consolidated Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis
December 31, 2025

| | | |
|---|---|---|
| Assets | | |
| Cash and Cash Equivalents – Operating (Note 2) | $ | 159,353 |
| Cash and Cash Equivalents – Restricted for Capital Campaign (Note 2) | | 41,606 |
| Fixed Assets, Net (Note 4) | | 726,718 |
| Total Assets | $ | 927,677 |
| Liabilities | | |
| Gift Cards Outstanding | $ | 11,603 |
| Mortgage Payable (Note 5) | | 303,378 |
| Total Liabilities | | 314,981 |
| Net Assets | | |
| Without Donor Restrictions | | 566,090 |
| With Donor Restrictions (Note 6) | | 46,606 |
| Total Net Assets | | 612,696 |
| Total Liabilities and Net Assets | $ | 927,677 |

See Accompanying Notes and Independent Accountant's Review Report

**PEACE PROMISE, INC.,**
**PEACE PROMISE VENTURES, LLC, and PEACE PROMISE ENTERPRISES, LLC**
Consolidated Statement of Support, Revenue, and Expenses – Modified Cash Basis
For the Year Ended December 31, 2025

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| Revenue and Support | | | |
| Contributions | $ 256,112 | $ 24,771 | $ 280,883 |
| Sales | 420,632 | - | 420,632 |
| Event Income | 10,855 | - | 10,855 |
| Grant Income | - | 43,500 | 43,500 |
| Interest Income | 1,752 | - | 1,752 |
| Nonfinancial Contributions (Note 8) | 2,400 | - | 2,400 |
| Miscellaneous Income | 1,622 | - | 1,622 |
| Rental Income (Note 10) | 1,000 | - | 1,000 |
| Gain/(Loss) on Disposal of Fixed Assets | (240) | - | (240) |
| Net Assets Released from Restrictions | 47,665 | (47,665) | - |
| Total Revenue and Support | 741,798 | 20,606 | 762,404 |
| Expenses | | | |
| Program Services | 239,486 | - | 239,486 |
| Supporting Services | | | |
| Management & General | 65,070 | - | 65,070 |
| Fundraising | 35,107 | - | 35,107 |
| Peace Promise Ventures, LLC | 49,592 | - | 49,592 |
| Peace Promise Enterprises, LLC | 366,257 | - | 366,257 |
| Total Expenses | 755,512 | - | 755,512 |
| Change in Net Assets | (13,714) | 20,606 | 6,892 |
| Net Assets, Beginning of Year | 579,804 | 26,000 | 605,804 |
| Net Assets, End of Year | $ 566,090 | $ 46,606 | $ 612,696 |

See Accompanying Notes and Independent Accountant's Review Report

**PEACE PROMISE, INC.,**
**PEACE PROMISE VENTURES, LLC, and PEACE PROMISE ENTERPRISES, LLC**
Consolidated Statement of Functional Expenses – Modified Cash Basis
For the Year Ended December 31, 2025

| | Peace Promise, Inc. | | | | | |
|---|---|---|---|---|---|---|
| | | Supporting Services | | | | |
| | Program Services | Management & General | Fundraising | Peace Promise Ventures, LLC | Peace Promise Enterprises, LLC | Total |
| Accounting | $ - | $ 8,896 | $ - | $ 555 | $ 100 | $ 9,551 |
| Advertising & Marketing | - | - | 7,298 | 47 | 210 | 7,555 |
| Bank & Service Charges | - | 3,724 | - | 1,806 | 13,207 | 18,737 |
| Charitable Contributions | - | - | 4,575 | 25 | 70 | 4,670 |
| Conferences & Trainings | 2,500 | - | - | - | - | 2,500 |
| Cost of Goods Sold | - | - | - | 29,120 | 121,318 | 150,438 |
| Depreciation | 22,697 | 601 | - | 810 | 108 | 24,216 |
| Employee Benefits | 27,759 | 4,851 | 708 | - | - | 33,318 |
| Event Expenses | - | - | 12,612 | 1,532 | - | 14,144 |
| Information Technology | - | 5,317 | - | 1,705 | - | 7,022 |
| Insurance | - | 10,458 | - | 547 | 1,833 | 12,838 |
| Interest Expense | 18,586 | 978 | - | - | - | 19,564 |
| Miscellaneous Expenses | 49 | 7 | 868 | 339 | 970 | 2,233 |
| Occupancy | 40,249 | 1,456 | - | 129 | 4,038 | 45,872 |
| Office Expenses | 1,610 | 1,273 | 495 | 692 | 6,502 | 10,572 |
| Outreach & Ministry Expenses | 43,692 | - | - | - | - | 43,692 |
| Payroll Taxes | 4,629 | 1,620 | 287 | - | 19,684 | 26,220 |
| Professional Fees | 5,089 | 268 | 350 | 7 | 1,100 | 6,814 |
| Salaries | 72,626 | 25,417 | 4,509 | 10,951 | 183,690 | 297,193 |
| Shipping Expenses | - | - | 2,794 | 728 | 73 | 3,595 |
| Supplies | - | - | - | 599 | 13,323 | 13,922 |
| Travel | - | 204 | 611 | - | 31 | 846 |
| Total | $ 239,486 | $ 65,070 | $ 35,107 | $ 49,592 | $ 366,257 | $ 755,512 |

See Accompanying Notes and Independent Accountant's Review Report

## NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities:**
Peace Promise, Inc. (the Organization) was formed in 2012 and is incorporated as a domestic non-profit corporation in the Commonwealth of Pennsylvania. The Organization assists in recovering hope and strengthening the lives of those impacted by sexual exploitation in the Harrisburg metropolitan community. The Organization's main programs include Outreach & Intervention, Support & Training, Education & Awareness, and Economic Empowerment. The Organization is primarily supported through contributions and grant income.

Peace Promise Ventures, LLC d/b/a Soaps by Survivors was formed in 2019 and is wholly owned by the Organization. Soaps by Survivors produces and sells handmade bath and beauty products with proceeds benefitting the Organization. Soaps by Survivors' primary source of revenue is sales.

Peace Promise Enterprises, LLC d/b/a Good Ground Coffee Company was formed in 2022 and is wholly owned by the Organization. Good Ground Coffee Company operates a coffee shop that employs and empowers women who have been exploited by the commercial sex industry, with proceeds benefitting the Organization. The coffee shop opened in April 2024. Good Ground Coffee Company's primary source of revenue is sales.

Soaps by Survivors and Good Ground Coffee Company are collectively referred to as "Subsidiaries" throughout the rest of the footnotes.

**Basis of Accounting:**
These consolidated financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under that basis, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligations are incurred. The Organization and its Subsidiaries have elected to record fixed assets, gift cards outstanding, mortgage payable, intercompany receivables/payables, and contributed nonfinancial assets.

**Principles of Consolidation:**
The accompanying consolidated financial statements include the accounts of the Organization and its wholly owned Subsidiaries. All material intercompany transactions and balances have been eliminated in consolidation.

**Basis of Presentation:**
Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Revenue Recognition – Contributions and Grant Income:**
Contributions and grant income received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (i.e., when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Support, Revenue, and Expenses – Modified Cash Basis as net assets released from restrictions.

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition – Contributions and Grant Income (Continued):**
Nonfinancial Contributions – The Organization records various types of nonfinancial contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated supplies are also valued at market values obtained during the year. The amounts reflected in the accompanying consolidated financial statements as nonfinancial contributions are offset by like amounts included in expenses. In addition, a number of volunteers donated approximately 5,431 hours to the Organization's program and supporting services during the year ended December 31, 2025. These nonfinancial contributions are not reflected in the consolidated financial statements since these services do not meet the criteria for recognition.

**Revenue Recognition – Exchange Transactions:**
The Organization and its Subsidiaries recognize revenue from exchange transactions when received rather than when earned in accordance with the modified cash basis of accounting. The Organization and its Subsidiaries' sales and event income follow exchange transaction revenue recognition standards.

**Cash and Cash Equivalents:**
Cash and cash equivalents include all highly liquid investments with an initial maturity date of three months or less.

**Fixed Assets:**
It is the policy of the Organization and its Subsidiaries to record purchased fixed assets at cost and donated fixed assets at fair value at the date of the donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. New acquisitions of fixed assets having a low acquisition cost, or which are not expected to last for more than a year, are expended in the year of acquisition. Repairs and maintenance charges are capitalized and depreciated when they materially extend the useful life of the related asset.

**Right-of-Use Assets and Liabilities:**
The Organization and its Subsidiaries determine if an arrangement is or contains a lease at inception of the contract. A right-of-use (ROU) asset represents the right to use the underlying assets for the lease term, and a lease liability represents the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. As leases generally do not provide an implicit rate, the Organization or its Subsidiaries' incremental borrowing rate or a risk-free borrowing rate at the commencement date is used to determine the present value of future payments. A finance ROU asset is amortized using the straight-line method over the lease term, or the asset's useful life if ownership is transferred. An operating ROU asset is reduced based on the lease amortization schedule. Lease terms may include options to extend the lease, terminate the lease, or purchase the leased asset. The value of a lease option is reflected in the valuation if it is reasonably certain management will exercise the option. Leases with a term of twelve months or less are considered short-term, and no asset or liability needs to be recognized. In the event that a significant lease would be recorded, the Organization and its Subsidiaries have elected not to separate the lease components from non-lease components for all asset classes. There were no significant leases for the year ended December 31, 2025.

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Gift Cards Outstanding:**
Through their retail and online stores, the Subsidiaries sell gift cards that have no administrative fee or expiration date. No revenue is recognized at the time gift cards are sold. Revenue is recognized as a merchandise sale when the cardholder redeems the gift card.

The Subsidiaries recognize revenue for any unused portion of gift cards ("breakage") when the likelihood of the gift card being redeemed by the cardholder is remote. Gift card breakage is estimated based on historical redemption patterns and is recognized in proportion to the redemption of gift card balances. No breakage income was recognized for the year ended December 31, 2025.

**Functional Allocation of Expenses:**
The costs of providing the various programs and activities have been summarized on a functional basis in the Consolidated Statement of Support, Revenue, and Expenses – Modified Cash Basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Taxation:**
The Organization is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Donors are entitled to deductions for federal income tax purposes for contributions made to the Organization in accordance with the Internal Revenue Code. Accordingly, no income tax is incurred unless the Organization earns income considered to be unrelated business income. The Organization will be subject to federal income taxes on the unrelated business activities of the Subsidiaries.

Management evaluated the tax positions taken and concluded that the Organization has taken no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2022.

The operations of a single member limited liability company are substantially identical to those of a sole proprietorship. The Subsidiaries are considered disregarded entities; therefore, the income and expenses from the Subsidiaries are combined with the income and expenses of the Organization and reported on the Organization's federal tax return, if applicable. With few exceptions, the Subsidiaries are no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2022.

**Use of Estimates:**
The preparation of consolidated financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following at December 31, 2025:

| | | |
|---|---|---|
| Cash and Cash Equivalents — Operating | $ | 159,353 |
| Cash and Cash Equivalents — Restricted for Capital Campaign | | 41,606 |
| Total | $ | 200,959 |

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization and its Subsidiaries' financial assets at December 31, 2025:

| | |
|---|---|
| Financial Assets: | |
| Cash and Cash Equivalents | $ 200,959 |
| Total Financial Assets | 200,959 |
| Less Amounts Not Available to be Used Within One Year: | |
| Net Assets with Donor Restrictions | 46,606 |
| Total | 46,606 |
| Financial Assets Available to Meet Expenses Over the Next Year | $ 154,353 |

The Organization and its Subsidiaries' plan is generally to maintain financial assets to meet 90 days of operating expenses.

**NOTE 4 – FIXED ASSETS**

Fixed assets are summarized as follows at December 31, 2025:

| | |
|---|---|
| Building | $ 358,069 |
| Building Improvements | 208,294 |
| Furniture & Equipment | 85,504 |
| Land | 92,000 |
| Land Improvements | 18,933 |
| Construction in Process | 2,342 |
| | 765,142 |
| Less: Accumulated Depreciation | (38,424) |
| Fixed Assets, Net | $ 726,718 |

The useful lives for purposes of computing depreciation are as follows:

| | |
|---|---|
| Building | 40 years |
| Building Improvements | 5-40 years |
| Furniture & Equipment | 5-20 years |
| Land Improvements | 10 years |

Depreciation expense was $24,216 for the year ended December 31, 2025.

**NOTE 5 – MORTGAGE PAYABLE**

The Organization entered into a 30-year mortgage payable with Brethren in Christ Foundation, Inc. (BICF) in July 2022. The terms require 360 monthly interest and principal payments. The interest rate is variable based on market conditions at the discretion of BICF. The interest rate decreased from 6.50% to 6.25% in January 2025. The interest rate was 6.25% as of December 31, 2025. The monthly payments were $2,087 as of December 31, 2025. The mortgage is collateralized by the property located at 244 South 17th Street, Camp Hill, PA 17011. The balance of the mortgage payable was $303,378 at December 31, 2025.

Interest paid on the mortgage was $19,564 for the year ended December 31, 2025.

Future maturities at December 31, 2025 are as follows:

| | |
|---|---|
| 2026 | $ 6,248 |
| 2027 | 6,650 |
| 2028 | 7,077 |
| 2029 | 7,533 |
| 2030 | 8,017 |
| Thereafter | 267,853 |
| Total | $ 303,378 |

**NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS**

Certain assets have been donated to the Organization with donor-imposed restrictions on their use. Time and purpose restricted net assets are held for the following purposes at December 31, 2025:

| | |
|---|---|
| Capital Campaign | $ 41,606 |
| Outreach | 5,000 |
| Total | $ 46,606 |

**NOTE 7 – INTERCOMPANY TRANSACTIONS**

The Organization enters into various transactions with the Subsidiaries throughout the normal course of business. As of and for the year ended December 31, 2025, the following amounts have been eliminated in consolidation:

| | Peace Promise, Inc. | Peace Promise Ventures, LLC | Peace Promise Enterprises, LLC |
|---|---|---|---|
| Contributions | $ (99) | $ - | $ (8,785) |
| Sales | - | (1,545) | (482) |
| Grant Income | - | - | (19,000) |
| Rental Income | (21,900) | - | - |
| Charitable Contributions | - | - | 99 |
| Grants to Subsidiaries | 19,000 | - | - |
| Miscellaneous Expenses | 405 | - | - |
| Occupancy | - | 7,350 | 14,550 |
| Outreach & Ministry Expenses | 12,441 | - | - |
| Salaries | - | (2,091) | - |
| Supplies | - | - | 57 |

**NOTE 8 – NONFINANCIAL CONTRIBUTIONS**

The Organization recognized revenue for the following nonfinancial contributions during the year ended December 31, 2025:

| | |
|---|---|
| Occupancy | $ 2,400 |
| Total | $ 2,400 |

All nonfinancial contributions recognized during the year ended December 31, 2025 were utilized primarily for the Organization's Outreach & Intervention and Economic Empowerment programs.

**NOTE 9 – ADVERTISING EXPENSE**

The Organization and its Subsidiaries expense advertising costs as incurred. Advertising expense was $7,555 for the year ended December 31, 2025.

**NOTE 10 – RENTAL AGREEMENT**

In July 2024, the Organization entered into a 12-month lease for a residence in Mechanicsburg, PA. This lease agreement reflects a monthly rental value of $1,200, of which $400/month will be donated by the landlord. In July 2025, the Organization entered into a 6-month extension of this lease. The lease extension reflects a monthly rental value of $1,220, of which $400/month will be donated by the landlord. The Organization terminated the lease extension early in August 2025. The donated rent amounts are recorded as nonfinancial contributions in the Consolidated Statement of Support, Revenue, and Expenses – Modified Cash Basis. Short-term lease costs were $8,440 during the year ended December 31, 2025.

**NOTE 10 – RENTAL AGREEMENT (CONTINUED)**

During the active lease period, the Organization rented out this residence as a transitional home to survivors served by the Organization and its Subsidiaries. Under this arrangement, the Organization received rental income of $1,000 during the year ended December 31, 2025.

**NOTE 11 – CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization and its Subsidiaries to concentrations of credit risk consist principally of cash and cash equivalents held with financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per institution. The Organization and its Subsidiaries' accounts at financial institutions may have exceeded the insurance obtained through the FDIC from time to time throughout the year, which management considers to be a normal business risk. There were no amounts in excess of the FDIC limit at December 31, 2025.

The Organization maintains a portion of its cash equivalents in a Thrift Accumulation Plan (TAP) with BICF. Money deposited into TAP accounts is generally available for immediate withdrawal and earns a variable rate of interest which is accumulated monthly to the account. These products are uninsured debt obligations of BICF and are not considered savings, deposit, or other obligations of a bank and are not insured by the FDIC. The uninsured amounts totaled $29,081 at December 31, 2025.

**NOTE 12 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 2, 2026, which is the date the consolidated financial statements were available to be issued.