

**CRISIS TEXT LINE, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**



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**CRISIS TEXT LINE, INC.**  
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**YEARS ENDED DECEMBER 31, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Crisis Text Line, Inc.  
New York, New York

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of Crisis Text Line, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crisis Text Line, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Crisis Text Line, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***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 Crisis Text Line, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

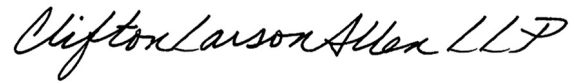
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 audits.
- 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Board of Directors  
Crisis Text Line, Inc.

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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

King of Prussia, Pennsylvania  
April 30, 2025

**CRISIS TEXT LINE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 16,452,436	\$ 12,834,535
Contribution Receivables	4,086,664	4,328,015
Contract Receivables, Net of Allowance for Credit Losses	191,125	93,381
Investments	14,357,365	-
Prepaid Expenses and Other Assets	1,129,540	655,957
Property and Equipment, Net	<u>83,729</u>	<u>118,073</u>
Total Assets	<u><u>\$ 36,300,859</u></u>	<u><u>\$ 18,029,961</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 1,787,742	\$ 1,651,956
Deferred Revenue	<u>8,269,055</u>	<u>803,374</u>
Total Liabilities	10,056,797	2,455,330
<b>NET ASSETS</b>		
Without Donor Restrictions	25,461,420	14,442,126
With Donor Restrictions	<u>782,642</u>	<u>1,132,505</u>
Total Net Assets	<u><u>26,244,062</u></u>	<u><u>15,574,631</u></u>
Total Liabilities and Net Assets	<u><u>\$ 36,300,859</u></u>	<u><u>\$ 18,029,961</u></u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Contributions	\$ 13,369,441	\$ 2,256,821	\$ 15,626,262
Government Grants	22,064,263	-	22,064,263
Contract Revenue	3,579,551	-	3,579,551
License Fees	500,015	-	500,015
Other Income	83	-	83
Net Assets Released from Restrictions	2,606,684	(2,606,684)	-
Total Support and Revenues	42,120,037	(349,863)	41,770,174
<b>EXPENSES</b>			
Program Expenses:			
Clinical	7,750,629	-	7,750,629
Volunteer Experience	7,192,717	-	7,192,717
Platform Technology	10,994,417	-	10,994,417
Research & Impact	1,236,852	-	1,236,852
Total Program Expenses	27,174,615	-	27,174,615
Supporting Services:			
Management and General	5,044,207	-	5,044,207
Fundraising	2,628,353	-	2,628,353
Total Supporting Services	7,672,560	-	7,672,560
Total Expenses	34,847,175	-	34,847,175
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	7,272,862	(349,863)	6,922,999
<b>NONOPERATING REVENUE</b>			
Investment Income	961,739	-	961,739
Employee Retention Credit	2,784,693	-	2,784,693
Total Nonoperating Revenue	3,746,432	-	3,746,432
<b>CHANGE IN NET ASSETS</b>	11,019,294	(349,863)	10,669,431
Net Assets - Beginning of Year	14,442,126	1,132,505	15,574,631
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 25,461,420</u>	<u>\$ 782,642</u>	<u>\$ 26,244,062</u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Contributions	\$ 10,952,678	\$ 1,353,757	\$ 12,306,435
Government Grants	15,493,950	-	15,493,950
Contract Revenue	4,040,962	-	4,040,962
Net Assets Released from Restrictions	221,252	(221,252)	-
Total Support and Revenues	30,708,842	1,132,505	31,841,347
<b>EXPENSES</b>			
Program Expenses:			
Clinical	9,081,054	-	9,081,054
Volunteer Experience	7,162,776	-	7,162,776
Platform Technology	10,648,943	-	10,648,943
Research & Impact	1,034,788	-	1,034,788
Total Program Expenses	27,927,561	-	27,927,561
Supporting Services:			
Management and General	5,104,045	-	5,104,045
Fundraising	2,583,783	-	2,583,783
Total Supporting Services	7,687,828	-	7,687,828
Total Expenses	35,615,389	-	35,615,389
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	(4,906,547)	1,132,505	(3,774,042)
<b>NONOPERATING REVENUE</b>			
Investment Income	477,762	-	477,762
<b>CHANGE IN NET ASSETS</b>	(4,428,785)	1,132,505	(3,296,280)
Net Assets - Beginning of Year	18,870,911	-	18,870,911
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 14,442,126</u>	<u>\$ 1,132,505</u>	<u>\$ 15,574,631</u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2024**

	Program Expenses					Supporting Services			
	Clinical	Volunteer Experience	Platform Technology	Research and Impact	Total Program	Management and General	Fundraising	Total Supporting	Total Expenses
Personnel Costs:									
Salaries	\$ 5,286,956	\$ 4,689,669	\$ 6,568,938	\$ 983,051	\$ 17,528,614	\$ 2,819,565	\$ 1,797,395	\$ 4,616,960	\$ 22,145,574
Payroll Taxes and Benefits	2,307,933	1,347,203	1,302,634	148,713	5,106,483	968,345	569,488	1,537,833	6,644,316
Total Personnel Costs	7,594,889	6,036,872	7,871,572	1,131,764	22,635,097	3,787,910	2,366,883	6,154,793	28,789,890
Other Expenses:									
Consultants	-	194,429	1,164,246	53,355	1,412,030	215,734	67,757	283,491	1,695,521
Credit Loss	-	-	-	-	-	6,500	-	6,500	6,500
Depreciation	-	-	-	-	-	68,061	-	68,061	68,061
Office Expenses	4,816	6,594	11,973	4,646	28,029	21,496	1,859	23,355	51,384
Professional Fees	-	-	-	-	-	497,261	9,852	507,113	507,113
Rent and Utilities	86,898	2	-	240	87,140	43	2	45	87,185
Marketing and Public Relations	-	498,399	-	-	498,399	1,131	49,628	50,759	549,158
Subscriptions	4,718	323,749	2,005	10,000	340,472	238,425	84,613	323,038	663,510
Platform Costs	-	-	1,935,228	-	1,935,228	-	-	-	1,935,228
Travel and Meetings	6,508	39,845	9,389	36,747	92,489	103,016	46,572	149,588	242,077
Volunteer Expenses	-	92,552	-	100	92,652	16,879	668	17,547	110,199
Miscellaneous	52,800	275	4	-	53,079	87,751	519	88,270	141,349
Total other expenses	155,740	1,155,845	3,122,845	105,088	4,539,518	1,256,297	261,470	1,517,767	6,057,285
Total Expenses by Function	<u>\$ 7,750,629</u>	<u>\$ 7,192,717</u>	<u>\$ 10,994,417</u>	<u>\$ 1,236,852</u>	<u>\$ 27,174,615</u>	<u>\$ 5,044,207</u>	<u>\$ 2,628,353</u>	<u>\$ 7,672,560</u>	<u>\$ 34,847,175</u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**

	Program Expenses					Supporting Services			
	Clinical	Volunteer Experience	Platform Technology	Research & Impact	Total Program	Management and General	Fundraising	Total Supporting	Total Expenses
Personnel Costs:									
Salaries	\$ 6,318,265	\$ 4,429,167	\$ 6,491,517	\$ 773,293	\$ 18,012,242	\$ 2,712,092	\$ 1,799,641	\$ 4,511,733	\$ 22,523,975
Payroll Taxes and Benefits	2,585,562	1,359,035	1,329,725	150,364	5,424,686	845,078	486,481	1,331,559	6,756,245
Total Personnel Costs	8,903,827	5,788,202	7,821,242	923,657	23,436,928	3,557,170	2,286,122	5,843,292	29,280,220
Other Expenses:									
Consultants	-	306,043	1,049,411	105,469	1,460,923	158,004	85,916	243,920	1,704,843
Credit Loss	-	-	-	-	-	12,528	-	12,528	12,528
Depreciation	-	-	-	-	-	55,321	-	55,321	55,321
Insurance	-	-	-	-	-	62,758	-	62,758	62,758
Office Expenses	4,733	5,047	9,367	628	19,775	42,777	1,156	43,933	63,708
Professional Fees	-	-	104	-	104	302,409	20,578	322,987	323,091
Rent and Utilities	89,083	73	-	-	89,156	517,248	-	517,248	606,404
Marketing and Public Relations	-	481,957	-	-	481,957	662	1,050	1,712	483,669
Subscriptions	9,969	395,687	858	54	406,568	263,723	113,532	377,255	783,823
Platform Costs	-	-	1,759,570	-	1,759,570	-	-	-	1,759,570
Travel and Meetings	21,442	45,768	8,148	4,880	80,238	110,848	54,193	165,041	245,279
Volunteer Expenses	-	139,849	243	100	140,192	7,383	20,652	28,035	168,227
Miscellaneous	52,000	150	-	-	52,150	13,214	584	13,798	65,948
Total Other Expenses	177,227	1,374,574	2,827,701	111,131	4,490,633	1,546,875	297,661	1,844,536	6,335,169
Total Expenses by Function	<u>\$ 9,081,054</u>	<u>\$ 7,162,776</u>	<u>\$ 10,648,943</u>	<u>\$ 1,034,788</u>	<u>\$ 27,927,561</u>	<u>\$ 5,104,045</u>	<u>\$ 2,583,783</u>	<u>\$ 7,687,828</u>	<u>\$ 35,615,389</u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 10,669,431	\$ (3,296,179)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation	68,061	55,321
Credit Loss	6,500	12,528
Net Realized and Unrealized Gain on Investments	(255,164)	-
Lease Adjustment	-	(30,996)
Changes in Assets and Liabilities:		
Contributions Receivable	234,851	(4,305,884)
Contract Receivables	(97,744)	555,219
Prepaid Expenses and Other Assets	(473,583)	(186,420)
Accounts Payable and Accrued Expenses	135,786	(1,094,231)
Deferred Revenue	7,465,681	(330,459)
Net Cash Provided (Used) by Operating Activities	<u>17,753,819</u>	<u>(8,621,101)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Purchases of Investments	(39,289,591)	-
Proceeds from Sale of Investments	25,187,390	-
Purchase of Property and Equipment	<u>(33,717)</u>	<u>(28,741)</u>
Net Cash Used by Investing Activities	<u>(14,135,918)</u>	<u>(28,741)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,617,901	(8,649,842)
Cash and Cash Equivalents - Beginning of Year	<u>12,834,535</u>	<u>21,484,377</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 16,452,436</u></u>	<u><u>\$ 12,834,535</u></u>

See accompanying Notes to Financial Statements.

**CRISIS TEXT LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 ORGANIZATION AND NATURE OF ACTIVITIES**

Crisis Text Line, Inc. (CTL, Inc. or the Organization), a nonprofit organization, was incorporated in the state of New York on April 2, 2012. CTL, Inc.'s primary purpose is to use technology and data innovations to pioneer new approaches to support people in need. CTL, Inc.'s major program services include the following:

Volunteer Experience: All costs associated with recruiting and retaining volunteers; development and training and cultural competencies in the community to appropriately communicate with and promote CTL, Inc. as a service to all communities.

Clinical: A dedicated group of paid supervisors that support and oversee crisis counselors and all texters' conversations on the CTL, Inc. platform.

Platform and Technology: Coding, refining, and supporting the CTL, Inc. texting platform. This includes engineering, product, design, data & analytics.

Research and Impact: Dedicated team of research scientists that lead rigorous mental health research efforts to evidence and amplify CTL impact for texters, volunteers, and communities; and strengthen mental health policy, practice and systems in the broader field nationally and globally.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying 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 (GAAP).

The financial statement presentation is in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: those without donor restrictions and those with donor restrictions.

Net assets without donor restrictions are those net assets that are not subject to donor-imposed restrictions. Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions, which either expire by the passage of time or when used for specified purposes.

**Cash and Cash Equivalents**

Cash balances in banks are insured by the Federal Deposit Insurance Corporation subject to certain limitations. For financial statement purposes, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**CRISIS TEXT LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value of Financial Instruments**

The Organization measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The carrying amounts for cash equivalents approximate their fair value because of their short-term maturity.

**Property and Equipment**

Office furniture, equipment, and software are carried at cost if purchased, or if acquired in-kind, at their fair market value at the date of the gift. Any expenditure over \$5,000 in these categories is capitalized. Fixed assets are depreciated using the straight-line basis over the estimated useful lives of the assets.

**Contributions Receivable**

Contributions receivable are recorded at net realizable value if expected to be collected in one year and, if material, multiyear receivables are recorded at the present value of their estimated future cash flow. If applicable, amortization of the discount is included in contribution revenue. The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectability of individual promises. There were no significant contributions that management deemed to be uncollectible as of the years ended December 31, 2024 and 2023.

**CRISIS TEXT LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Current Expected Credit Losses**

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The allowance for credit losses of contract accounts receivable for both years ended December 31, 2024 and 2023 was \$6,500 and \$12,528, respectively.

**In-Kind Contributions**

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets, or that require specialized skills, provided by individuals possessing those skills and typically required to be purchased if not provided by donation, are recorded at fair value in the period received. There were no in-kind contributions received for the years ended December 31, 2024 and 2023.

Volunteers play an important role in the services that the Organization provides by being on the front lines when connecting to and having a text conversation with individuals in need of mental health support. Crisis Text Line has trained more than 83,000 volunteer Crisis Counselors, each receiving 30 hours of comprehensive training that focuses on empathy, active listening, collaborative problem-solving, cultural competence and safety planning. Crisis Text Line's robust 30-hour training is virtual, interactive, and self-paced to provide volunteers with the freedom and accessibility to learn at their own pace whenever and wherever they are. Crisis Text Line has had more than 15,000 and 16,000 volunteer Crisis Counselors active on our platform over the years ended December 31, 2024 and 2023 respectively, and, on average, over 4,300 and 6,100 volunteers are active on a monthly basis. During the years ended December 31, 2024 and 2023, volunteer hours were approximately 700,000 and 800,000, respectively. The Independent Sector values such services at a rate of \$33.49 which would equate to a value received of over \$23,400,000 and \$26,800,000 for the years ended December 31, 2024 and 2023, respectively. Such volunteer hours do not meet the definition of when donated services are recognized in the financial statements.

**Revenue Recognition**

In accordance with ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, the Organization evaluates whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions.

**Grants and Contribution Revenue**

Grants and contributions received are evaluated using the decision tree in ASC 958-605-55-1A to determine the applicable accounting model. Grants and contributions received by the Organization are considered to be nonexchange transactions.

**CRISIS TEXT LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Grants and Contribution Revenue (Continued)**

A decision tree is also used to determine whether contributions received are conditional or unconditional. Both barriers and right of return/release need to exist in order to designate a grant or contribution as conditional. Once designated, the revenue is recognized when the conditions are met.

Unconditional grants and contributions are recorded as those with donor restrictions or without donor restrictions depending on the existence of donor-imposed restrictions, typically limiting purpose or timing of the grant or contribution. Grants and contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the grants and contributions are recognized.

A portion of the Organization's revenue is derived from cost-reimbursable contracts, grants, and other contributions, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as liabilities in the statement of financial position. The Organization has been awarded cost-reimbursable grants of \$16,064,351 that have not been recognized as of December 31, 2024, because qualifying expenditures have not yet been incurred.

**Contract and License Fee Revenue**

The Organization recognizes revenue from contracts with customers in accordance with *Topic 606 – Revenue from Contracts with Customers*.

All contracts that fall under Collaboration Agreements and Corporate Contracts are considered to be reciprocal transactions. The performance obligation under these types of contracts is the continued access to and maintenance of, a data dashboard at the pre-determined price. Due to the nature of the services provided, the revenue is recorded as the access is provided which approximates over time recognition for most contracts.

All contracts that fall under License Fees Agreements are considered to be reciprocal transactions. The performance obligation under these types of contracts is the allowed use of the Organization's proprietary materials. Due to the nature of the services provided, the revenue is recorded over the term of the license.

Funds received in advance of the period of the contract are recorded as deferred revenue in the statement of financial position. Contract periods that have commenced but have not yet been paid for are recognized as accounts receivable on the statement of financial position.

**Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributed to more than one supporting function. As such, some expenses require allocation that properly reflects shared costs at a reasonable basis that is consistently applied.

**CRISIS TEXT LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses (Continued)**

The Organization utilizes a hybrid approach to expense allocation between program expenses and supporting services. The Organization estimates percentages of time spent on projects related to program expenses and supporting services and eligible employee benefits, taxes and salaries, etc. are allocated based upon this estimated percentage. Specific expenses related to technology, professional fees, travel, and other classifications are directly charged to the function for which they are related. Administrative costs including general liability and business operations are directly charged as management overhead. Rent, utilities and other office expenses have been allocated based on a weighted average of personnel and their estimated percentage of time spent to projects related to program expenses and supporting services.

**Accounting for Income Taxes**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). Accordingly, no provision for federal, state, or local income taxes has been recorded.

**Subsequent Events**

These financial statements were approved by management and available for issuance on April 30, 2025. Management has evaluated subsequent events through this date.

**NOTE 3 CONTRIBUTIONS RECEIVABLE**

Contributions receivable consisted of the following at December 31:

	2024	2023
Amount Due in Less Than One Year	<u>\$ 4,086,664</u>	<u>\$ 4,328,015</u>

**NOTE 4 INVESTMENTS**

The following tables set forth by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2024.

	2024		
	Level 1	Level 2	Level 3
Fixed Income Securities	<u>\$ -</u>	<u>\$ 14,357,365</u>	<u>\$ -</u>
			<u>\$ 14,357,365</u>

There were no amounts classified as investments as of December 31, 2023 due to the highly liquid and short term nature of the Organization's assets.

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**NOTE 4 INVESTMENTS (CONTINUED)**

Investment Income consisted of the following, as of December 31:

	2024	2023
Interest and Dividends	\$ 706,575	\$ 477,762
Net Realized and Unrealized Gains	255,164	-
Total	<u>\$ 961,739</u>	<u>\$ 477,762</u>

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	2024	2023
Equipment	\$ 293,209	\$ 259,493
Less: Accumulated Depreciation	(209,480)	(141,420)
Property and Equipment, Net	<u>\$ 83,729</u>	<u>\$ 118,073</u>

Depreciation expense amounted to \$68,061 and \$55,321 for the years ended December 31, 2024 and 2023, respectively.

**NOTE 6 CONCENTRATIONS**

For the years ended December 31, 2024 and 2023, one funder accounted for 99% and 100% of total government grants, respectively.

**NOTE 7 LITIGATION**

In the course of regular operations, the Organization is also subject to potential litigation matters, which management has deemed to be immaterial to the financial statements taken as a whole.

**NOTE 8 RETIREMENT PLAN**

The Organization established a defined contribution pension plan covering substantially all of its employees. Pension expenses under this plan was \$613,130 and \$534,441 for the years ended December 31, 2024 and 2023, respectively.

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**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

The following summarizes the changes in net assets with donor restrictions at December 31:

Purpose	Balance January 1, 2024	Contributions	Released from Restrictions	Balance December 31, 2024
Time	\$ 765,000	\$ -	\$ (765,000)	\$ -
Spanish Related Programming	150,000	350,000	(350,000)	150,000
Youth Programming	217,505	304,499	(434,362)	87,642
Veteran Programming	-	500,000	(35,000)	465,000
Strategy, Research & Growth	-	1,102,322	(1,022,322)	80,000
Total	<u>\$ 1,132,505</u>	<u>\$ 2,256,821</u>	<u>\$ (2,606,684)</u>	<u>\$ 782,642</u>

Purpose	Balance January 1, 2023	Contributions	Released from Restrictions	Balance December 31, 2023
Time	\$ -	\$ 827,500	\$ (62,500)	\$ 765,000
Spanish Related Programming	-	200,000	(50,000)	150,000
Youth Programming	-	326,257	(108,752)	217,505
Total	<u>\$ -</u>	<u>\$ 1,353,757</u>	<u>\$ (221,252)</u>	<u>\$ 1,132,505</u>

**NOTE 10 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization's financial assets due within one year of the date of the financial statements that are available for general expenditures, including grant funded activities, are as follows at December 31:

	2024	2023
Cash and Cash Equivalents	\$ 16,452,436	\$ 12,834,535
Contribution Receivables	4,086,664	4,328,116
Contract Receivables	191,125	93,381
Investments	14,357,365	-
Less Net Assets with Donor Restrictions	(782,642)	(1,132,505)
Total Financial Assets Available Within One Year	<u>\$ 34,304,948</u>	<u>\$ 16,123,527</u>

**NOTE 11 REVENUE FROM CONTRACTS WITH CUSTOMERS**

Revenue from contracts with customers is included with contract revenue on the statement of activities. The Following table shows the Organization's revenue subject to ASC 606 disaggregated according to the timing of the transfer of good or services as of December 31:

Revenue Recognized Over Time:	2024	2023
Collaboration Agreements	\$ 657,967	\$ 607,583
Corporate Contracts	2,921,584	3,433,379
License Fees	500,015	-
Total Revenue Recognized Over Time	<u>\$ 4,079,566</u>	<u>\$ 4,040,962</u>

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**NOTE 11 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

The following table shows the Organization's contract assets and contract liabilities as of December 31:

Assets:	2024	2023
Accounts Receivable- Contracts	<u>\$ 191,125</u>	<u>\$ 93,381</u>
Liabilities:	2024	2023
Deferred Revenue- Contracts	<u>\$ 469,688</u>	<u>\$ 803,374</u>

**NOTE 12 LINE OF CREDIT**

The Organization has a line of credit in the amount of \$5,000,000. The line of credit expires on February 5, 2026 unless renewed and bears an interest rate at the Adjusted SOFR (Secured Overnight Financing Rate) of 4.49% and 5.38% as of December 31, 2024 and 2023, respectively. There was no balance outstanding on the line of credit as of December 31, 2024 and 2023.



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