



UNBOUNDNOW

August 25, 2023

Dear friends,

I am writing this letter to provide context for our audited financial statements and 990s.

Unbound Now started in 2012 in Waco, Texas as a ministry of Antioch Community Church. I was serving on church staff and in my travels to support our church plants around the world, I came face to face with the horrors of human trafficking. Upon investigation, it became apparent that not only were people being trafficked in other countries, men, women, youth, and children were being sold for sex and labor right here in the United States, including in my hometown of Waco, Texas. Antioch Church blessed the launch of an anti-trafficking ministry we originally called Unbound.

Unbound began operating as a dba of Antioch Community Church in Waco, and launched additional offices as dbas of Antioch churches in other cities across Texas. As we began to receive federal funds for our work, it became apparent that we should start legal entities for Unbound that were separate from our churches. Our Fort Worth office was the first to file as a Texas nonprofit corporation and receive 501(c)(3) status from the IRS in 2019. Audited financials and 990s for Unbound Fort Worth, later Unbound North Texas, are available upon request. Our original Waco office followed shortly thereafter in 2020, filing under the name Unbound Global. Our offices in Houston, Bryan College Station, and Austin then began a similar process.

Our international offices created their own legal entities in compliance with national requirements and remain as such to this day.

The Waco-based entity, Unbound Global, formed in 2020 became the legal entity supporting the rest of our US offices and service regions, as well as providing administrative support for international offices. This entity's 2020 financials represent the programmatic work and services of Unbound Now in Waco, Texas as well as administrative support for all other Unbound Now offices and service areas, including the three other offices in Texas at the time, and work in four international locations. They do not include programmatic or service income or expenses for the 7 other areas, as they were all operating through separate legal entities.



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Unbound's 2021 financials are the same. They reflect Waco programs and services and administration for 7 other offices, along with support for launch assessment in new locations.

Fairly quickly, we recognized the high costs of having nonprofit management expertise at each office, and managing finances, audits, HR, IT, payroll, etc separately for each entity/location. We hired consultants to help us assess our options, and the clear choice was to integrate our Texas offices into one legal entity. With a commitment to remain responsive to local needs and partnerships, but with a desire to move forward as one organization with a shared mission and vision, we integrated our Texas offices as of October 1, 2022, into the Waco-based entity Unbound Global, which by then had changed its name to Unbound Now.

Again for 2022, because integration did not occur until the 4th quarter, most of Unbound Now's financials will reflect programming and services only for Waco, but with significantly increasing administrative support for all other offices and service areas, including two new areas – Austin and Poland. Again, most of the programmatic/service income and expenses are reflected in other entities' financials. The net result of this is that Unbound Now's financials to date show a higher than might normally be expected percentage of administrative expenses. This can be understood, though, in the context of providing administrative support for work carried out on behalf of a significant number of other entities whose programmatic expenses are not reflected in Unbound Now's financials.

In 2021 and 2022, as we worked toward integration of our Texas offices, we began to build an HQ team of nonprofit professionals to support the work of all of our offices and set our teams up for long term success. We transitioned our Waco Executive Director to a full time CEO, hired a COO, and added to our finance, development, and HR teams. We purchased and customized human resources, accounting, and development software to streamline and centralize our administrative functions across offices. We are confident that these investments reflected in our 2021 and 2022 financials have laid a foundation upon which we can build sustainable and scalable services across an increasing number of service areas in the years to come.

The exciting news is that we are already seeing the impact. In 2023 so far we have launched critical services in three new areas without having to form new legal entities or open offices with expensive administrative infrastructure. In Tyler, Texas and New Orleans and Baton Rouge, Louisiana, our expenses are completely programmatic. We have been able to launch regional survivor service teams based on the scalable structure already in place through Unbound Now. More opportunities are on the horizon and will follow a similar model, adding programmatic impact without additional administrative cost.



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Our 2023 budget is \$8,913,030. This year, we are investing in programmatic leadership. So far, we have hired a survivor advocacy program director to support and oversee our survivor advocacy services across all of our offices and service areas. We are also investing in our long term development plans this year. We have hired an experienced CDO who is creating a development plan and building a development team to fund our work sustainably into the future.

I am as excited as ever for the future of Unbound Now and our work to support survivors and resource communities to fight human trafficking. The opportunity to help identify victims of human trafficking and impact lives of survivors as we walk alongside them on their journeys toward restoration is tremendous, and we take seriously our responsibility to steward this organization well so that we will be able to serve as needed.

I invite you to join us. Together, we can see communities set free from human trafficking!

Sincerely,

A handwritten signature in black ink that reads "Susan Peters". The script is fluid and cursive.

Susan Peters, CEO