

**HANCOCK CHRISTIAN
CLEARING HOUSE**

**Report for the Years Ended
December 31, 2024 and 2023**

HANCOCK CHRISTIAN CLEARING HOUSE

Report for the Years Ended December 31, 2024 and 2023

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Trustees
Hancock Christian Clearing House
Findlay, Ohio

We have reviewed the accompanying financial statements of Hancock Christian Clearing House (a not-for-profit 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagements 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 financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Hancock Christian Clearing House and to meet out other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our reviews we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the accounting principles generally accepted in the United States of America.

Knueven, Schroeder & Co.

Findlay, Ohio
August 14, 2025

HANCOCK CHRISTIAN CLEARING HOUSE
Statements of Financial Position
December 31, 2024 and 2023

ASSETS		
	2024	2023
ASSETS		
Cash and cash equivalents - NOTE A	\$ 523,231	\$ 411,891
Unconditional promises to give - NOTE C	92,946	203,152
Prepaid expenses	<u>239</u>	<u>76</u>
TOTAL CURRENT ASSETS	616,416	615,119
 EQUIPMENT & SOFTWARE, NET - NOTES A and D	 <u>7,129</u>	 <u>2,789</u>
 OTHER ASSETS		
Right-of-use assets - NOTE I	50,209	64,447
Investments - Community Foundation - NOTE E	106,132	97,523
Edward Jones investments - NOTE E	<u>376,859</u>	<u>331,994</u>
TOTAL OTHER ASSETS	<u>533,200</u>	<u>493,964</u>
 TOTAL ASSETS	 <u><u>\$ 1,156,745</u></u>	 <u><u>\$ 1,111,872</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 21,486	\$ 29,331
Withheld and accrued payroll liabilities	4,658	2,418
BVC agency fund - NOTES A and G	2,923	2,646
Current portion - Operating lease liabilities - NOTE I	14,295	11,930
Unearned revenue	<u>-</u>	<u>2,500</u>
TOTAL CURRENT LIABILITIES	43,362	48,825
 LONG-TERM LIABILITIES		
Operating lease liabilities, net of current portion - NOTE I	<u>41,237</u>	<u>55,532</u>
 TOTAL LIABILITIES	 <u>84,599</u>	 <u>104,357</u>
 NET ASSETS		
Without donor restrictions - NOTE L	834,350	691,478
With donor restrictions - NOTE L	<u>237,796</u>	<u>316,037</u>
 TOTAL NET ASSETS	 <u>1,072,146</u>	 <u>1,007,515</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,156,745</u></u>	 <u><u>\$ 1,111,872</u></u>

See Independent Accountants' Review Report and Notes to Financial Statements

HANCOCK CHRISTIAN CLEARING HOUSE
Statements of Activities
For the Years Ended December 31, 2024 and 2023

	2024			
	Without Donor Restrictions	With Donor Restrictions	Total	Percent of Revenue
REVENUE AND OTHER SUPPORT				
United Way funding	\$ -	\$ 102,506	\$ 102,506	11.81 %
Grants	-	161,328	161,328	18.58
Contributions	314,289	21,436	335,725	38.67
In-kind contributions - NOTE H	74,268	45,100	119,368	13.75
Fundraising - NOTE J	78,153	-	78,153	9.00
BVC administration fee	7,500	-	7,500	0.86
Investment Income	34,094	-	34,094	3.93
Change in Community Foundation	5,979	6,887	12,866	1.48
Change in Edward Jones Investments	16,726	-	16,726	1.93
Net assets released from restrictions - NOTE L				
United Way funding for the year	117,006	(117,006)	-	0.00
Satisfaction of grant/contribution restriction	<u>298,492</u>	<u>(298,492)</u>	<u>-</u>	<u>0.00</u>
TOTAL REVENUE AND OTHER SUPPORT	<u>946,507</u>	<u>(78,241)</u>	<u>868,266</u>	<u>100.00</u>
EXPENSES				
Program services - EXHIBIT C	712,450	-	712,450	82.05
Supporting services - EXHIBIT C				
Management and general	31,839	-	31,839	3.67
Fundraising	<u>59,346</u>	<u>-</u>	<u>59,346</u>	<u>6.84</u>
TOTAL EXPENSES	<u>803,635</u>	<u>-</u>	<u>803,635</u>	<u>92.56</u>
CHANGE IN NET ASSETS	142,872	(78,241)	64,631	<u>7.44</u> %
NET ASSETS, BEGINNING OF YEAR	<u>691,478</u>	<u>316,037</u>	<u>1,007,515</u>	
NET ASSETS, END OF YEAR	<u>\$ 834,350</u>	<u>\$ 237,796</u>	<u>\$ 1,072,146</u>	

See Independent Accountants' Review Report and Notes to Financial Statements

EXHIBIT B

2023			
Without Donor Restrictions	With Donor Restrictions	Total	Percent of Revenue
\$ -	\$ 102,365	\$ 102,365	13.26 %
-	69,485	69,485	9.00
282,016	27,780	309,796	40.13
96,577	71,555	168,132	21.78
63,898	-	63,898	8.28
5,000	-	5,000	0.65
13,438	-	13,438	1.74
5,293	6,801	12,094	1.57
27,722	-	27,722	3.59
74,948	(74,948)	-	0.00
<u>213,064</u>	<u>(213,064)</u>	<u>-</u>	<u>0.00</u>
<u>781,956</u>	<u>(10,026)</u>	<u>771,930</u>	<u>100.00</u>
681,080	-	681,080	88.23
27,895	-	27,895	3.62
<u>50,582</u>	<u>-</u>	<u>50,582</u>	<u>6.55</u>
<u>759,557</u>	<u>-</u>	<u>759,557</u>	<u>98.40</u>
22,399	(10,026)	12,373	<u>1.60</u> %
<u>669,079</u>	<u>326,063</u>	<u>995,142</u>	
<u>\$ 691,478</u>	<u>\$ 316,037</u>	<u>\$ 1,007,515</u>	

HANCOCK CHRISTIAN CLEARING HOUSE
Statements of Functional Expenses
For the Years Ended December 31, 2024 and 2023

	2024				
	Emergency Assistance	Supporting Services Management & General	Fund Raising	Total	Percent of Revenue
Salaries	\$ 65,690	\$ 21,539	\$ 33,624	\$ 120,853	13.92 %
Payroll taxes and benefits	<u>7,136</u>	<u>2,340</u>	<u>3,653</u>	<u>13,129</u>	<u>1.51</u>
TOTAL SALARIES & RELATED EXPENSES	72,826	23,879	37,277	133,982	15.43
Client assistance	602,762	-	-	602,762	69.42
Advertising	-	1,466	-	1,466	0.17
Bank and credit card fees	-	-	869	869	0.10
Computer network, supplies, repairs & processing	1,924	631	985	3,540	0.41
Professional and consulting fees	4,360	1,430	2,231	8,021	0.92
Memberships and meetings	3,429	1,124	1,756	6,309	0.73
Fundraising events expense	-	-	7,209	7,209	0.83
Insurance	946	1,105	55	2,106	0.24
Postage	1,737	89	1,402	3,228	0.37
Miscellaneous	1,054	-	1,532	2,586	0.30
Occupancy	12,910	1,351	751	15,012	1.73
Repairs & maintenance	4,275	447	249	4,971	0.57
Supplies	4,556	232	3,678	8,466	0.98
Volunteers	<u>760</u>	<u>39</u>	<u>616</u>	<u>1,415</u>	<u>0.16</u>
TOTAL EXPENSES BEFORE DEPRECIATION	711,539	31,793	58,610	801,942	92.36
Depreciation - NOTES A and D	<u>911</u>	<u>46</u>	<u>736</u>	<u>1,693</u>	<u>0.19</u>
TOTAL EXPENSES - EXHIBIT B	<u>\$ 712,450</u>	<u>\$ 31,839</u>	<u>\$ 59,346</u>	<u>\$ 803,635</u>	<u>92.56 %</u>

See Independent Accountants' Review Report and Notes to Financial Statements

EXHIBIT C

2023				
Emergency Assistance	Supporting Services		Total	Percent of Revenue
	Management & General	Fund Raising		
\$ 54,843	\$ 18,140	\$ 28,263	\$ 101,246	13.12 %
5,755	1,903	2,966	10,624	<u>1.38</u>
60,598	20,043	31,229	111,870	14.49
587,085	-	-	587,085	76.05
-	1,181	-	1,181	0.15
-	-	396	396	0.05
1,300	430	670	2,400	0.31
3,546	1,173	1,829	6,548	0.85
3,259	1,078	1,680	6,017	0.78
-	-	5,066	5,066	0.66
897	1,100	52	2,049	0.27
1,632	280	1,738	3,650	0.47
2,101	-	-	2,101	0.27
10,718	1,122	623	12,463	1.61
3,272	342	191	3,805	0.49
4,017	690	4,278	8,985	1.16
1,004	172	1,070	2,246	<u>0.29</u>
679,429	27,611	48,822	755,862	97.92
1,651	284	1,760	3,695	<u>0.48</u>
<u>\$ 681,080</u>	<u>\$ 27,895</u>	<u>\$ 50,582</u>	<u>\$ 759,557</u>	<u>98.40 %</u>

HANCOCK CHRISTIAN CLEARING HOUSE
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 64,631	\$ 12,373
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,693	3,695
Change in Investments - Community Foundation	(12,866)	(12,094)
Change in Edward Jones investments	(16,726)	(27,722)
Non-cash contributions	(10,172)	(5,023)
Decrease (Increase) in:		
Unconditional promises to give	110,206	18,538
Prepaid expenses	(163)	156
Right-of-use assets	14,238	11,734
Increase (Decrease) in:		
Accounts payable	(7,845)	12,854
Withheld and accrued payroll liabilities	2,240	(255)
BVC Agency Fund	277	(7,852)
Unearned revenue	(2,500)	-
Operating lease liabilities	(11,930)	(9,537)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>131,083</u>	<u>(3,133)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and software	(6,033)	(779)
Funds transferred from Community Foundation Agency Funds	4,257	3,593
Reinvestment of investment income to Edward Jones investments	(22,869)	(8,193)
Sale of investments	4,902	5,017
NET CASH USED BY INVESTING ACTIVITIES	<u>(19,743)</u>	<u>(362)</u>
NET INCREASE (DECREASE) IN CASH	111,340	(3,495)
CASH AT BEGINNING OF YEAR	<u>411,891</u>	<u>415,386</u>
CASH AT END OF YEAR	<u><u>\$ 523,231</u></u>	<u><u>\$ 411,891</u></u>

Supplemental disclosure of noncash investing and financing activities:

During 2024 and 2023, the Clearing House received donations of stock worth \$10,172 and \$5,023, respectively. During 2023, the Clearing House incurred an operating lease obligation for the use of office space amounting to \$67,180.

See Independent Accountants' Review Report and Notes to Financial Statements

HANCOCK CHRISTIAN CLEARING HOUSE

Notes to Financial Statements

December 31, 2024 and 2023

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities: Hancock Christian Clearing House (Clearing House) is a not-for-profit corporation organized to represent Christ to the community through helping people to become self-sustaining. The Clearing House provides non-sustaining, emergency assistance to residents and/or transients of Hancock County who have financial, physical, emotional, and/or spiritual needs and collaborates with churches, agencies, and individuals to promote effective use of community resources. The Clearing House is supported primarily through donor contributions, fundraisers, United Way and grants. Approximately 12% and 13% of the Clearing House's gross revenue is provided by United Way of Hancock County in 2024 and 2023, respectively.

Financial Statement Presentation: The Clearing House's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") which require the Clearing House to report information regarding its assets, liabilities, revenue, and expenses according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to restrictions by donors or grantors and may be used for any purpose in performing the mission of the Clearing House. The net assets may be used at the discretion of the Clearing House's board of directors and management.

Net assets with donor restrictions: Net assets subject to restrictions imposed by donors and grantors. The donor restrictions are temporary and will be met by actions of the Clearing House or by the passage of time.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Promises to Give: Contributions are recognized when the donor makes a promise to give to the Clearing House that is, in substance, unconditional. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

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

Contributed Facility, Goods and Services: The Clearing House records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (1) create or enhance long-lived assets or (2) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to equipment and software.

HANCOCK CHRISTIAN CLEARING HOUSE

Notes to Financial Statements

December 31, 2024 and 2023

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Agency Funds: Accounting standards have been established for transactions in which the Clearing House accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both, to a nonprofit organization or individual that is specified by the donor. They specifically require that if a donor is a nonprofit organization that establishes a fund at the Clearing House using its own funds and for its own benefit, the Clearing House must account for the transfer of such assets as a liability. The funds are maintained in the cash of the Clearing House with the liability generally equivalent to the present value of future payments expected to be made to the nonprofit organization. The Clearing House refers to these as agency funds.

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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents: For purposes of the statements of cash flows, the Clearing House considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Equipment and Software: The Clearing House follows the practice of capitalizing expenditures for renewals and betterment while expenditures for maintenance and repairs are charged to costs and expensed as incurred. Depreciation is provided on the straight-line method over the estimated useful lives of assets.

Expense Allocation: Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs, supporting expenses, and fund raising on an actual basis or have been allocated as determined by management on an equitable basis. Costs not directly attributable to a function such as salaries and benefits and volunteer expenses are allocated to a function based on time and effort; occupancy costs are allocated based on usage of office square footage. No joint costs for fundraising appeals were incurred in 2024 or 2023.

Federal Income Taxes: The Clearing House is exempt from federal income taxes under section 501(c)(3). The Clearing House is an association of churches and, as such, is not required to file a Form 990; therefore, no income tax provision is included in these financial statements. There are currently no audits in progress for any tax periods.

Accounting principles generally accepted in the United States of America require management of the Clearing House to evaluate tax positions taken by the agency and recognize a tax liability if the agency has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has evaluated income tax positions taken and has concluded that as of December 31, 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events: The Clearing House has evaluated subsequent events through August 14, 2025, the date which the financial statements were available to be issued.

B - AVAILABILITY AND LIQUIDITY

The Clearing House receives significant contributions and grants restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Additionally, certain board designated assets are set aside for reserves and the Clearing House Agency Funds are not available to be used for normal operations. The following reflects the Clearing House's financial assets as of the statement of financial position date, reduced by amounts not available for general use due to donor-imposed restrictions, board designated funds, or agency funds within one year of the statement of financial position date. All 2024 and 2023 donor-restricted assets are available within one year of normal operations.

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 523,231	\$ 411,891
Unconditional promises to give	92,946	203,152
Investments - Community Foundation	106,132	97,523
Edward Jones investments	<u>376,859</u>	<u>331,994</u>
Total financial assets	<u>1,099,168</u>	<u>1,044,560</u>
Less funds not available to be used within one year		
BVC agency fund	2,923	2,646
Donor imposed restrictions for time and purpose	152,890	238,019
Community Foundation restriction	84,906	78,018
Board designated reserves	<u>50,000</u>	<u>50,000</u>
	<u>290,719</u>	<u>368,683</u>
Financial assets available to meet general expenditures over the next twelve months.	<u><u>\$ 808,449</u></u>	<u><u>\$ 675,877</u></u>

As part of the Clearing House's liquidity management, it prepares an annual cash budget and monitors cash on an ongoing basis.

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

C - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following at December 31:

	2024	2023
United Way of Hancock County allocation for next fiscal year	\$ 19,167	\$ 33,667
Community Foundation Designated Funds	22,808	19,485
Community Foundation Assistant Director grant	48,471	-
Toledo Community Foundation Happy Feet grant	2,500	-
Hancock County ARPA grant	-	100,000
State of Ohio Faith Based grant	-	50,000
	<u>\$ 92,946</u>	<u>\$ 203,152</u>

Although donor contributions to the United Way may vary, differences between the amounts allocated and collected from United Way have historically been insignificant.

D - EQUIPMENT AND SOFTWARE

Equipment and software at December 31, 2024 and 2023 consist of the following:

	2024	2023
Equipment and software	\$ 44,016	\$ 43,312
Less accumulated depreciation	<u>36,887</u>	<u>40,523</u>
	<u>\$ 7,129</u>	<u>\$ 2,789</u>

Depreciation expense was \$1,693 and \$3,695 for 2024 and 2023, respectively.

E - INVESTMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Clearing House has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

E - INVESTMENTS (Continued)

The following investments as of December 31, 2024 and 2023 are recorded at fair value on a recurring basis. The Edward Jones Investments of \$376,859 and \$331,994 at December 31, 2024 and 2023, are classified as Level 1. All securities at the Community Foundation are classified as Level 2. The fair value is determined using the fair value of the assets held by the Community Foundation.

Beginning in 2012, the Clearing House transferred funds to The Findlay-Hancock County Community Foundation (Community Foundation) to establish two agency funds. In 2023, the Clearing House transferred funds to establish two more agency funds. Additional contributions were made by the Clearing House during 2023. Under the terms of the agreements, the Clearing House can request up to twenty percent of the value of the investment portfolio once every five years; therefore, eighty percent of the fund is restricted due to time. Additionally, a distribution from the fund shall be available to the Clearing House at least annually. The Community Foundation has no variance power over the funds.

At December 31, 2024 and 2023, the value of the funds, as reported in the Statements of Financial Position as Investments - Community Foundation, amounted to:

	2024	2023
Gene & Evelyn Kelsey Fund for Hancock		
Christian Clearing House Agency Fund	\$ 60,174	\$ 55,941
Smile Maker Agency Fund	17,452	16,095
Jerry Sprouse Agency Fund	16,195	14,106
Project Happy Feet Agency Fund	<u>12,311</u>	<u>11,381</u>
	<u><u>\$ 106,132</u></u>	<u><u>\$ 97,523</u></u>

In addition, the Clearing House is the beneficiary of funds at the Community Foundation at December 31, 2024 and 2023, amounting to \$562,353 and \$522,541, respectively, which are funds contributed by outside donors to the Community Foundation on behalf of the Clearing House. Since the Community Foundation has variance power over these funds, these funds are not reflected on the books of the Clearing House. Distributions based on investment earnings are available annually with the Community Foundation committing to distribute at December 31, 2024 and 2023, \$22,808 and \$19,485, respectively. See Note L for restricted amounts.

F - SIMPLE IRA

The Clearing House has established a Simple IRA retirement plan covering all employees. The Clearing House contributes a nonelective contribution equal to 2% of compensation for the calendar year to each eligible employee who has at least \$5,000 in compensation for the calendar year. The employer contributions amounted to \$2,374 and \$2,037 for the years ended December 31, 2024 and 2023 respectively.

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

G - TRANSACTIONS IN FUNDS HELD FOR AGENCY

Transactions in the non-interest bearing agency fund is summarized as follows:

	2024	2023
Additions:		
Contributions - BVC Fund	\$ 32,000	\$ 25,000
Deductions:		
Disbursements to clients	<u>31,723</u>	<u>32,852</u>
Change in balance	277	(7,852)
Balance in Funds Held for Agency, Beginning of Year	<u>2,646</u>	<u>10,498</u>
Balance in Funds Held for Agency, End of Year	<u><u>\$ 2,923</u></u>	<u><u>\$ 2,646</u></u>

H - IN-KIND CONTRIBUTIONS

The Clearing House records various types of in-kind contributions. Contributions of tangible assets are recognized at fair value when received. The Clearing House has reflected in the accompanying financial statements in-kind contributions for client assistance as follows:

	2024	2023
Taxable items for client assistance	\$ 74,268	\$ 96,577
Stuff the bus school supplies	<u>45,100</u>	<u>71,555</u>
	<u><u>\$ 119,368</u></u>	<u><u>\$ 168,132</u></u>

The taxable items are valued using prices that would be paid for items purchased at retail establishments. The Stuff the bus school supplies are valued using an average value per book bag as published in northwest Ohio. These items are given to clients in need.

Many individuals volunteer their time and perform a variety of tasks, including fundraising, administrative, and program services, that assist the Clearing House, but these services do not meet the criteria for recognition as contributed services. The Clearing House received approximately 5,686 and 8,180 volunteer hours for 2024 and 2023, respectively.

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

I - LEASING ARRANGEMENTS

The Clearing House leases space at The Family Center from The Hancock Properties Foundation. The original lease expired on April 30, 2023, with a new five-year lease beginning May 1, 2023 through April 30, 2028 with no renewal option. The Clearing House is also responsible for additional amounts for items such as security, telephone and technology. These expenses may be adjusted from time to time to reflect changes in operating expenses. These additional expenses for this lease totaled \$5,725 and \$5,390 for the years ended December 31, 2024 and 2023 , respectively.

In addition, the Clearing House is leasing a copier under a five-year noncancelable lease, that expired in June 2022 and was renewed in 2022 with an expiration date of June 2027. The lease agreement has monthly payments plus a per page overage charge. This additional cost which is included in supplies amounted to \$1,125 and \$572 for the years ended December 31, 2024 and 2023, respectively.

As of December 31, 2024 and 2023, the right-of-use assets (ROU) has a balance of \$50,209 and \$64,447, respectively, as shown in the assets on the statements of financial position. As of December 31, 2024 and 2023, the operating lease liabilities has a balance of \$55,532 and \$67,462, respectively as shown in the liabilities on the statements of financial position. The new lease asset and liability were calculated utilizing the May 1, 2023, five-year risk-free discount rate of 3.64%, according to the Clearing House's elected policy.

Additional information at December 31, 2024 and 2023 about the Clearing House's leases is as follows:

	2024	2023
Lease costs included in rent and supplies expense		
Operating lease expense		
Office lease included in occupancy	\$ 15,012	\$ 12,463
Copier lease included in supplies	<u>1,555</u>	<u>1,555</u>
Total lease cost	<u>\$ 16,567</u>	<u>\$ 14,018</u>
Other information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 14,259	\$ 11,465
ROU assets obtained in exchange for new operating lease liabilities	-	67,180
Weighted-average remaining lease term in years for operating leases	3.27	4.26
Weighted-average discount rate for operating leases	3.81%	3.83%

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

I - LEASING ARRANGEMENTS (Continued)

Maturities of operating lease liabilities as of December 31, 2024, are as follows:

Years Ending December 31,	
2025	\$ 16,110
2026	17,961
2027	18,811
2028	<u>6,238</u>
Total undiscounted cash flows	59,120
Less: present value discount	<u>(3,588)</u>
Total operating lease liabilities	<u><u>\$ 55,532</u></u>

J - FUNDRAISING

The Clearing House sponsors several fundraising activities throughout the year. All Garage sale items are donated and these direct costs are netted against the gross. The proceeds from activities for the years ended December 31, 2024 and 2023 are as follows:

	Gross	Expenses	Net
		2024	
Garage sale	\$ 56,942	\$ 3,518	\$ 53,424
Golf outing	<u>21,211</u>	<u>3,691</u>	<u>17,520</u>
	<u><u>\$ 78,153</u></u>	<u><u>\$ 7,209</u></u>	<u><u>\$ 70,944</u></u>
		2023	
Garage sale	\$ 48,171	\$ 2,362	\$ 45,809
Golf outing	<u>15,727</u>	<u>2,704</u>	<u>13,023</u>
	<u><u>\$ 63,898</u></u>	<u><u>\$ 5,066</u></u>	<u><u>\$ 58,832</u></u>

K - CONCENTRATIONS

The Clearing House maintains cash balances at several financial institutions located in Findlay, Ohio. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024 and 2023, the Clearing House had uninsured cash balances of \$31,073 and \$111,900, respectively. The Clearing House also maintains an account with a stock brokerage firm. The accounts contain both cash and securities. Balances are insured up to \$500,000 (with a limit of \$250,000 for cash) by the Securities Investor Protection Corporation (SIPC).

HANCOCK CHRISTIAN CLEARING HOUSE

Notes to Financial Statements

December 31, 2024 and 2023

L - NET ASSETS

The detail of the Clearing House's net asset categories at December 31, is as follows:

	2024	2023
Without donor restrictions		
Undesignated	\$ 784,350	\$ 641,478
Board designated reserve	<u>50,000</u>	<u>50,000</u>
Total without donor restrictions	<u>834,350</u>	<u>691,478</u>
With donor restrictions		
United Way of Hancock County funding for next year -		
Halt Hunger	19,167	33,667
Project Happy Feet	11,062	82,169
Stuff the Bus	758	2,698
Hancock County ARPA funds	-	100,000
The Findlay-Hancock County Community Foundation		
Assistant Director Grant	92,739	-
Winter Gear Grant	6,356	-
Agency Funds		
Gene & Evelyn Kelsey Fund for Hancock		
Christian Clearing House Agency Fund	48,139	44,753
Smile Maker Agency Fund	13,962	12,876
Jerry Sprouse Agency Fund	12,956	11,284
Project Happy Feet Agency Fund	9,849	9,105
Designated Funds		
Gene & Evelyn Kelsey Fund for Hancock		
Christian Clearing House	14,603	11,046
M&J Rower Fund for HCCH	1,412	1,453
Richard N. and Mildred B. Bishop Fund	6,454	6,658
John G. and Pauline A. Andrews Memorial Fund	<u>339</u>	<u>328</u>
Total with donor restrictions	<u>237,796</u>	<u>316,037</u>
Total net assets	<u>\$ 1,072,146</u>	<u>\$ 1,007,515</u>

HANCOCK CHRISTIAN CLEARING HOUSE
Notes to Financial Statements
December 31, 2024 and 2023

L - NET ASSETS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

In 2024 and 2023, net assets in the amount of \$117,006 and \$74,948 were released when the expiration of time restriction expired for United Way funds, respectively.

In 2024 and 2023, expenses in the amount of \$298,492 and \$213,064 were expended to satisfy grant and contribution restrictions for program activities.

In 2018, the board approved an operating reserve policy of 25% or 3 months of the annual budget to sustain financial operations in the event the agency has any significant unanticipated loss in revenue or increase in expenses. The current target level for this fund is \$100,000. The fund is currently being funded in an account established at Edward Jones.