PARKER COUNTY CENTER OF HOPE, INC.

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

PARKER COUNTY CENTER OF HOPE, INC.
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Parker County Center of Hope, Inc.
Weatherford, Texas

Opinion

We have audited the accompanying financial statements of Parker County Center of Hope, Inc. (a nonprofit Organization), which comprise the statements of financial position as of June 30, 2025 and 2024, 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 Parker County Center of Hope, Inc. as of June 30, 2025 and 2024, 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 of 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 these 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

George, Morgan & Sneed, P.C.
1849 Wall Street | Weatherford, TX 76086-6298 | Phone 817.594.2704 | Fax 817.599.7389
www.gms-cpa.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the nonprofit 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 nonprofit Organization's ability to continue as a going concern for a reasonable period of time.

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

George, Morgan & Sneed, P.C.

Weatherford, Texas
September 17, 2025

PARKER COUNTY CENTER OF HOPE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

		2025		2024
ASSETS				
CURRENT ASSETS:				
Cash	$	1,619,673	$	1,581,700
Certificates of Deposit		1,100,291		661,372
Investments		12,517		-
Receivables		35,549		71,304
Inventory		232,984		184,204
Prepaid Expense		16,525		14,002
Total current assets		3,017,539		2,512,582
PROPERTY AND EQUIPMENT:				
Land		192,390		192,390
Construction in Progress		7,500		321,664
Equipment - Food Store		52,549		49,650
Furniture and fixtures		77,089		77,089
Office Computer/Equipment		36,105		41,730
Vehicles		94,910		94,910
Training Center Equipment/Software		7,139		7,139
Buildings		5,474,272		4,936,335
Less-accumulated depreciation		(1,098,384)		(911,366)
Property and equipment-net		4,843,570		4,809,541
OTHER ASSETS:				
Cash restricted for Building Fund		6,337		6,267
TOTAL ASSETS		7,867,446	$	7,328,390
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable	$	5,857	$	18,590
Credit card payable		7,221		856
Accrued payroll		41,633		45,414
Other liabilities		7,015		8,518
Total current liabilities		61,726		73,378
NET ASSETS:				
With donor restrictions		203,102		210,973
Without donor restrictions		7,602,618		7,044,039
Total net assets		7,805,720		7,255,012
TOTAL LIABILITIES AND NET ASSETS		7,867,446	$	7,328,390

The accompanying notes are an integral part of this statement.

PARKER COUNTY CENTER OF HOPE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Contributions	$ 1,104,974	$ 318,992	$ 1,423,966
In-kind Donations			
Assets	9,299	-	9,299
Groceries	1,045,873	-	1,045,873
Meals	256,762	-	256,762
Services	405,022	-	405,022
Donated resale items	673,208	-	673,208
Other	49,077	-	49,077
Special Events	63,887	-	63,887
Interest Income	82,377	72	82,449
Other Income	16,043	-	16,043
Sales resale store	645,686	-	645,686
Less cost of resale items	(645,287)	-	(645,287)
Net assets released from restrictions	326,935	(326,935)	-
TOTAL REVENUES, GAINS, AND OTHER SUPPO]	4,033,856	(7,871)	4,025,985
EXPENSES AND LOSSES:			
Program Services			
Weatherford Basic Assistance	1,342,171	-	1,342,171
Springtown Basic Assistance	350,978	-	350,978
Weatherford Education and Career Development	844,129	-	844,129
Springtown Education and Career Development	10,850		10,850
Family Empowerment	66,123	-	66,123
Hope Chest	316,044	-	316,044
Kingdom Smiles	164,064	-	164,064
Total program services	3,094,359	-	3,094,359
Supporting services			
Management and general	253,895	-	253,895
Fund-raising	127,024	-	127,024
Total supporting services	380,919	-	380,919
TOTAL EXPENSES AND LOSSES	3,475,278	-	3,475,278
CHANGE IN NET ASSETS	558,578	(7,871)	550,707
NET ASSETS AT BEGINNING OF YEAR	7,044,040	210,973	7,255,013
NET ASSETS AT END OF YEAR	$ 7,602,618	$ 203,102	$ 7,805,720

2024		
Without Donor Restrictions	With Donor Restrictions	Total
$ 960,848	$ 240,820	$ 1,201,668
21,553	-	21,553
1,006,235	-	1,006,235
214,782	-	214,782
314,517	-	314,517
565,476	-	565,476
44,652	-	44,652
187,643	-	187,643
65,910	122	66,032
16,801	-	16,801
559,526	-	559,526
(562,908)	-	(562,908)
387,717	(387,717)	-
3,782,752	(146,775)	3,635,977
1,372,106	-	1,372,106
294,362	-	294,362
667,013	-	667,013
-	-	-
89,772	-	89,772
276,458	-	276,458
147,266	-	147,266
2,846,977	-	2,846,977
282,688	-	282,688
123,657	-	123,657
406,345	-	406,345
3,253,322	-	3,253,322
529,430	(146,775)	382,655
6,514,609	357,748	6,872,357
$ 7,044,039	$ 210,973	$ 7,255,012

PARKER COUNTY CENTER OF HOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Services				
	Weatherford Basic Assistance	Springtown Basic Assistance	Weatherford Education and Career Development	Springtown Education and Career Development	Family Empowerment
Compensation and related expenses					
Salaries	$ 151,942	$ 101,431	$ 153,866	$ 334	$ 28,057
Payroll taxes	11,251	7,771	11,850	27	2,750
Staff insurance	2,228	1,554	1,006	-	303
Health Reimbursement Account	894	-	2,311	-	-
Workers compensation ins	2,126	46	261	-	161
Retirement	3,442	1,494	2,520	-	439
Vehicle allowance		-	-	-	-
	171,883	112,296	171,814	361	31,710
Client Assistance					
Medical, dental and prescriptions	13,357	7,096	13,171	292	-
Utilities	59,725	22,809	25,560	1,254	-
Other	31,161	14,323	5,701	83	2,501
Groceries	573,165	139,511	287,324	8,722	16,290
Meals Served	148,138	9,872	98,752	-	-
Advertising	167	219	-	-	-
Auto Expense	5,458	1,049	-	-	87
Auto Insurance	8,365	1,669	-	-	145
Bank and Credit Card Charges	-	-	-	-	-
Community Outreach	302	993	604	-	317
Occupancy					
Building Maintenance	7,258	2,447	7,082	-	1,040
Rent	-	1,500	-	-	-
Utilities	13,021	3,648	12,289	-	1,089
Garbage	789	1,030	672	-	126
Database User Fee	6,570	828	4,586	-	164
Depreciation Expense	52,418	11,954	49,371	-	4,267
Other Insurance	11,899	212	11,093	-	899
Dues and Subscriptions	-	-	-	-	-
Employee Business Expenses	422	1,192	153	-	263
Supplies					
Bible and study supplies	112	285	9,425	119	157
Kitchen	2,066	2,297	-	-	-
Maintenance	1,330	361	1,330	-	161
Office Supplies	2,826	1,245	3,111	19	400
Miscellaneous	31,960	3,467	1,864	-	5,672
Postage	537	215	429	-	43
Printing & Reproduction	2,541	72	2,137	-	308
Professional Fees	-	-	-	-	-
Special Events Expenses	-	-	-	-	-
Technical Support	1,338	268	1,742	-	267
Telephone	1,604	2,210	2,223	-	125
Training/Seminar	69	-	1,444	-	-
Uncollectible client accounts	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-
Volunteer Labor	193,474	7,798	132,044	-	14
Volunteer Expenses	216	112	208		78
Total expenses	$ 1,342,171	$ 350,978	$ 844,129	$ 10,850	$ 66,123

Hope Chest	Kingdom Smiles	Management and General	Fund-raising	Total
$ 177,181	$ 27,218	$ 125,998	$ 114,342	$ 880,369
13,791	2,107	9,712	8,846	68,105
2,306	250	1,608	1,415	10,670
1,024	532	3,759	-	8,520
3,674	9	458	-	6,735
3,337	481	3,598	1,397	16,708
-	-	5,169	-	5,169
201,313	30,597	150,302	126,000	996,276
-	44,852	-	-	78,768
-		-	-	109,348
-		-	-	53,769
-		-	-	1,025,012
-		-	-	256,762
-		466	200	1,052
3		-	-	6,597
9		-	-	10,188
14,469		7,166	-	21,635
302	30	1,229	-	3,777
7,712	262	3,672	-	29,473
0		-	-	1,500
12,294	450	6,372	-	49,163
1,804	2	346	-	4,769
-	248	6048	-	18,444
49,371	1,833	25,600	-	194,814
11,221	415	5,818	-	41,557
-		695	-	695
105		4,445	-	6,580
-		-	-	10,098
-		-	-	4,363
843	41	766	-	4,832
12,412	81	1,845	14	21,953
823		4,561	-	48,347
59	107	772	69	2,231
133		893	54	6,138
-		26,320	-	26,320
-		-	637	637
1,376	53	809	-	5,853
1,447	54	751	-	8,414
0		4,107	50	5,670
-	13,321	-	-	13,321
-		827	-	827
130	71,718	85	-	405,263
218		-	-	832
$ 316,044	$ 164,064	$ 253,895	$ 127,024	$ 3,475,278

PARKER COUNTY CENTER OF HOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services				
	Basic Assistance	Springtown Area Community Impact Project	Education and Career Development	Family Empowerment	Hope Chest
Compensation and related expenses					
Salaries	$ 129,439	$ 82,884	$ 129,930	$ 43,814	$ 153,330
Payroll taxes	9,684	6,534	10,286	3,512	12,259
Staff insurance	2,004	1,175	694	278	2,028
Workers compensation ins	2,500	89	168	190	3,370
Retirement	2,457	629	2,212	810	2,846
	146,084	91,311	143,290	48,604	173,833
Client Assistance					
Medical, dental and prescriptions	17,595	11,028	14,672	-	-
Utilities	77,906	24,959	24,398	-	-
Other	4,397	745	3,811	-	-
Groceries	721,788	135,520	198,985	21,259	-
Meals Served	124,551	8,704	81,522	-	-
Advertising	19	-	-	52	880
Auto Expense	6,977	1,068	3	177	1
Auto Insurance	6,296	1,206	-	147	1
Bank and Credit Card Charges	-	-	-	-	11,772
Community Outreach	268	819	557	242	268
Occupancy					
Building Maintenance	4,688	-	4,687	694	4,751
Rent	-	6,000	-	-	-
Utilities	11,869	283	11,869	1,758	11,869
Garbage	1,362	-	1,698	331	4,023
Database User Fee	6,256	354	4,368	590	-
Depreciation Expense	49,886	-	49,886	7,391	49,886
Other Insurance	4,698	1,676	4,698	696	4,698
Dues and Subscriptions	-	-	183	-	-
Employee Business Expenses	678	1,753	20	1,344	990
Supplies					
Bible and study supplies	44	-	9,578	217	
Kitchen	2,245	23	-	-	-
Maintenance	674	-	706	85	430
Office Supplies	1,886	448	2,040	311	8,060
Miscellaneous	27,944	1,175	2,043	4,881	1,660
Postage	559	214	432	43	123
Printing & Reproduction	2,033	14	1,204	330	8
Professional Fees	-	-	-	-	-
Property Tax	-	1,648	-	-	-
Special Events Expenses	-	-	-	-	-
Technical Support	1,304	260	1,693	261	1,424
Telephone	1,316	350	2,110	195	1,316
Training/Seminar	-	-	254	-	-
Uncollectible client accounts	-	-	-	-	-
Volunteer Labor	148,489	4,755	101,950	42	194
Volunteer Expenses	294	49	356	122	271
Total expenses	$ 1,372,106	$ 294,362	$ 667,013	$ 89,772	$ 276,458

Kingdom Smiles	Management and General	Fund-raising	Total
$ 19,240	$ 151,522	$ 96,006	$ 806,165
1,607	11,640	7,768	63,290
135	1,361	965	8,640
16	749	-	7,082
87	3,886	2,153	15,080
21,085	169,158	106,892	900,257
51,320	-	-	94,615
-	-	-	127,263
-	-	-	8,953
-	-	-	1,077,552
-	-	-	214,777
-	1,010	-	1,961
-	26	18	8,270
-	39	22	7,711
-	5,763	-	17,535
27	1,114	-	3,295
174	2,431	-	17,425
-	-	-	6,000
440	6,154	-	44,242
6	874	-	8,294
236	5,695	-	17,499
1,848	25,866	-	184,763
174	2,436	-	19,076
-	376	-	559
-	2,914	186	7,885
-	-	-	9,839
-	-	-	2,268
21	399	-	2,315
55	1,412	67	14,279
-	18,984	-	56,687
107	771	473	2,722
-	1,641	571	5,801
-	28,798	-	28,798
-	-	-	1,648
-	-	15,275	15,275
52	730	-	5,724
49	682	-	6,018
-	5,263	-	5,517
12,938	-	-	12,938
58,734	142	153	314,459
-	10	-	1,102
$ 147,266	$ 282,688	$ 123,657	$ 3,253,322

PARKER COUNTY CENTER OF HOPE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

		2025		2024
CASH FLOWS FROM OPERATING ACTIVITIES:				
Increase in net assets	$	550,707	$	382,655
Adjustments to reconcile increase in net assets to net cash provided by operating activities:				
Depreciation		194,814		184,763
(Gain) Loss on Sale of Fixed Assets		828		-
Unrealized(gains) Loss on Sale of Fixed Assets		(444)		-
(Increase) decrease in operating assets:				
Receivables		35,755		101,214
Inventory		(48,780)		21,800
Prepaid Expenses		(2,523)		(8,141)
Increase (decrease) in operating liabilities:				
Accounts payable		(12,732)		14,995
Credit Card Payable		6,365		(2,716)
Accrued Payroll		(3,781)		13,150
Other Liabilities		(1,503)		(4,675)
NET CASH PROVIDED BY OPERATING ACTIVITIES		718,706		703,045
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of Property and equipment		(229,671)		(336,270)
Purchases of Certificates of Deposit		(438,919)		(48,892)
Purchase of Investments		(12,073)		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(680,663)		(385,162)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		38,043		317,883
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,587,967		1,270,084
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	1,626,010	$	1,587,967

Cash	$	1,619,673	$	1,581,700
Cash restricted for Building Fund		6,337		6,267
Total cash and cash equivalents	$	1,626,010	$	1,587,967

The accompanying notes are an integral part of these financial statements.

PARKER COUNTY CENTER OF HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Parker County Center of Hope, Inc. (the Organization) is a local area non-profit Christ-centered organization whose mission is to equip and empower people to live successful, joy-filled lives. Short-term help includes groceries distributed through a food pantry, limited financial assistance for utilities and prescriptions, daily meals prepared and served by churches, civic organizations and businesses on a rotational basis, weekly employment listings and the sharing of the Gospel. The Jobs for Life program, Camp Hope Program, computer classes, adult basic education classes, financial management classes, and parenting classes are offered to assist clients to work towards their own financial self-sufficiency.

In November 2011, Parker County Center of Hope, Inc. assumed ownership and operations of Kingdom Smiles Ministries. Kingdom Smiles Ministries is a tax-exempt entity formed in California and registered with the State of Texas; however, there has been no activity in the Kingdom Smiles Ministries tax-exempt entity since 2011. All activities of the Kingdom Smiles Ministries have been performed under Parker County Center of Hope, Inc. since November 2011.

Program Services

The following program services are included in the accompanying financial statements:

Basic Assistance

A crisis assistance program offers groceries, limited financial assistance with utilities and prescriptions, and daily meals to help families experiencing crisis.

Education & Career Development

Programs offered by Center of Hope help equip and empower people for success. These programs include computer training, adult education classes, financial coaching, the Jobs for Life program, as well as job training and internships.

Family Empowerment

The Family Empowerment program extends into low-income neighborhoods to reach kids and their families. Camp Hope is a summer program for children that provides weekly groceries, cooking skills, a reading program, crafts and activities, and mentoring support.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Hope Chest

The Hope Chest is an upscale resale establishment where the proceeds benefit families in Parker County struggling with poverty. The shop provides job-training and paid internships for Education and Career Development students.

Kingdom Smiles

This program provides financial assistance to qualifying individuals in need of emergency dental services. Clients meet with the Center of Hope for initial interview and financial assessment. Clients pay in advance for cost of dental exam. The dentist evaluates, recommends treatment plan and provides an estimate of cost. Clients meet with the Kingdom Smiles coordinator to determine the amount Kingdom Smiles will pay and agree to a payment plan for the client's portion of costs. Dental work is done, and the bill is paid from Kingdom Smiles funds. The client is billed monthly for their portion of the costs, which replenishes the program funds.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support and Revenue

Contributions are considered available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a restriction expires, that is, 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 statement of activities as net assets released from restrictions.

Revenue from contracts is derived from sales at the Hope Chest resale shop. This revenue is recognized at a point in time when control of the goods transfers to the customer. Payment is due at the time of sale. There are no advance payments. Sales taxes the Organization collects concurrent with revenue producing activities are excluded from revenue.

In-kind Donations

Donated services are recognized at fair market value if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals possessing those skills, and would otherwise be purchased if not provided by volunteers. Donated services of $331,968, $71,713, and $1,341 were provided in the current year for the Education and Career Development, Kingdom Smiles programs, and Management and General, respectively. These in-kind services include professional, dental and educational services and are valued at estimated pricing for similar services. Volunteers also donated over 27,156 hours to the Organization's program and support services during the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

The Organization's policy related to gifts-in-kind is to utilize the assets to carry out the mission of the Organization. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses. Contributed groceries are recognized at estimated fair value by using the current approved rate of $1.93 per pound, as provided by the Tarrant Area Food Bank.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed meals are recognized at estimated fair value of the low-end lunch price in the area of $8 per meal. Donated resale items are recognized at fair value by comparing to sales of comparable items.

Property and Equipment

Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. The organization capitalizes property and equipment with a cost or fair value of over $2,500. Property and equipment are depreciated using the straight-line method.

The estimated useful lives are as follows:

Buildings	30 years
Equipment	7 years
Furniture and fixtures	5 years
Vehicles	5 years

Income Taxes

The Parker County Center of Hope, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Organization maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2025, the Organization's deposits were fully collateralized. Collateralized deposits were $2,475,283. At June 30, 2024, the Organization's deposits were fully collateralized. Collateralized deposits were $2,264,558.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments

Generally accepted accounting principles requires disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash, certificates of deposits equity securities and grants receivable. For these financial instruments, carrying values approximate fair value.

Investments in equities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Fair values of investments are measured on a recurring basis. Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions (Level 1 inputs).

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equity basis. The expenses allocated include the following: time and effort for salaries and benefits, building utilization and specific identification for others.

Inventory

Inventory consists of groceries remaining in food stores and items for sale at the resale shop. The grocery inventory was donated and recorded at its fair value at date of the physical inventory. Fair value is determined by using the current approved rate of $1.93 per pound, as provided by the Tarrant Area Food Bank. The resale inventory is donated and is recorded at its estimated resale value.

NOTE B – ECONOMIC DEPENDENCE

Approximately 20% of the Organization's donated groceries were received under contracts with the Tarrant Area Food Bank.

NOTE C – AVAILABLITY AND LIQUIDITY

The Organization receives support with and without donor restrictions to fund its programs and supporting services. A budget is adopted each year to plan spending. The following table presents financial assets available for expenditures within one year at June 30, 2025.

NOTE C – AVAILABLITY AND LIQUIDITY (continued)

	2025	2024
Financial assets, at year end		
Cash and cash equivalents	$ 1,626,010	$ 1,587,967
Certificates of deposit	1,100,291	661,372
Investments	12,517	-
Accounts receivable	35,549	71,304
Total financial assets	2,774,367	2,320,643
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(203,102)	(210,973)
Net assets designated by the board of directors	(503,465)	(399,009)
	(706,567)	(609,982)
Financial assets available to meet general expenditures over the next twelve months	$ 2,067,800	$ 1,710,661

Cash, certificates of deposit, accounts receivable and investments make up the liquid financial assets of Parker County Center of Hope, Inc. However, $1,100,291 of certificates of deposits, would be subject to early withdrawal penalties if withdrawn before the maturity date.

NOTE D – PROMISES TO GIVE RECEIVABLE

Promises to give receivable consist of the following at June 30, 2025 and 2024:

	2025	2024
Due in 1 Year		
Kingdom Smiles Clients	$ 43,422	$ 40,926
Texas Health	-	21,217
Christ Chapel	7,751	7,626
United Way	12,600	28,137
Total	63,773	97,906
Less: Allowance for uncollectible promises	(28,224)	(26,602)
Net Promises to Give	$ 35,549	$ 71,304

NOTE E – RESTRICTIONS/LIMITATIONS ON NET ASSETS

The Organization's board of directors has chosen to place the following limitations on net assets without donor restrictions:

	2025	2024
Designated Special Reserve	$ 503,465	$ 399,009

Net assets with donor restrictions are available for the following purposes:

	2025	2024
Building Fund	$ 6,342	$ 6,268
Food Fund	90,450	48,706
Family Empowerment	3,274	-
Kingdom Smiles	42,608	31,803
Springtown	-	87,299
Medical & Prescriptions	12,764	8,385
Leather Bibles	13,763	15,843
The Fort Worth Found Trust	33,901	12,669
Other	-	-
	$ 203,102	$ 210,973

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

	2025	2024
Education & Career Development	$ 48,180	$ 41,121
Benevolence	29,770	43,843
Building Fund	-	2,539
Food Fund	13,823	18,120
Family Empowerment	13,656	23,086
Kingdom Smiles	77,488	83,232
Springtown Program	100,549	139,259
Medical & Prescriptions	12,621	18,173
Leather Bibles	2,080	1,013
The Fort Worth Found Trust	28,768	17,331
	$ 326,935	$ 387,717

NOTE F – EMPLOYEE BENEFIT PLAN

In 2011, the Organization began offering a Simple IRA Plan whereby all employees who earn at least $5,000 per year may elect to contribute pursuant to a salary reduction agreement. Employees can elect to contribute up to $16,500 for 2025, $16,000 for 2024 and $15,500 for 2023. In addition, employees who will be at least age 50 by the end of the year, can make additional catch-up contributions of $3,500. The Organization's matching contribution obligation is three percent of the employee's gross pay on the employees who elect to participate in the Plan. During the years ended June 30, 2025 and 2024, the Organization made matching contributions in the amount of $16,708 and $15,080 respectively.

NOTE G – EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 17, 2025, the date which the financial statements are available to be issued.

NOTE H – LEASES

Under Financial Accounting Standards (FASB) Accounting Standards Codification (ACS) Topic 842: Leases; leases with terms greater than 12 months must be classified as an operating or financing leases on the statement of financial position to be in compliance with GAAP. The lessee recognizes a right-of-use asset, initially measured at the present value of the lease payments, and a lease liability on the balance sheet. The Organization does not have any leases greater than 12 months. The Organization is the lessee and lessor with terms less than 12 months for which the Organization has elected to recognize in operating expense and revenue on the straight-line basis.

NOTE I – FUTURE ACCOUTING PRONOUNCEMENTS

The Financial Accounting Standards Board (FASB) has issued several standards that will be effective for future years. The Organization has not yet determined the effect of these new standards will have on its financial reporting.