

**GRACE HOUSE MINISTRIES**

**FINANCIAL STATEMENTS AND INDEPENDENT  
ACCOUNTANT'S COMPILATION REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2024**

# GRACE HOUSE MINISTRIES

December 31, 2024

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## Independent Accountants' Compilation Report

To the Board of Directors  
Grace House Ministries  
Weatherford, TX

Management is responsible for the accompanying financial statements of Grace House Ministries (a non-profit corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

*George, Morgan & Sneed, P.C.*

Weatherford, Texas  
October 30, 2025

**GRACE HOUSE MINISTRIES**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2024**

<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 506,785
Certificate of Deposits	503,525
Inventory	3,241
Total current assets	1,013,551
 <b>OTHER ASSETS</b>	
Security deposit	2,350
Property and equipment, net	699,389
Total other assets	701,739
<b>TOTAL ASSETS</b>	<b>\$ 1,715,290</b>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 6,363
Total current liabilities	6,363
 <b>NET ASSETS</b>	
Without donor restrictions	
Designated by the Board for New Building Fund	182,352
Undesignated	1,526,575
Total net assets	1,708,927
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,715,290</b>

See notes to financial statements and accountants' compilation report.

**GRACE HOUSE MINISTRIES**  
**STATEMENT OF ACTIVITIES**  
**For the Years Ended December 31, 2024**

<b>REVENUES, GAINS, AND OTHER SUPPORT</b>	<b>Without Donor Restrictions</b>
<b>Support and Revenue</b>	
<b>Contributions</b>	\$ 792,403
<b>Contributions of nonfinancial assets</b>	143,305
<b>Special events (net of direct costs of \$21,889)</b>	86,643
<b>Interest</b>	40,500
<b>Other</b>	2,286
<b>TOTAL SUPPORT AND REVENUE</b>	<b>1,065,137</b>
<b>EXPENSES</b>	
<b>Program services</b>	785,019
<b>Management and general</b>	296,146
<b>TOTAL EXPENSES</b>	<b>1,081,165</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(16,028)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>1,724,955</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 1,708,927</b>

See notes to financial statements and accountants' compilation report.

**GRACE HOUSE MINISTRIES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2024**

	Program Services					Administration	Fundraising	TOTAL
	Options Clinic	Pure Truth	Pregnancy Center	Mineral Wells	Total Program Services			
Compensation and benefits	\$ 160,990	\$ 20,750	\$ 75,964	\$ 99,533	\$ 357,237	\$ 211,989	\$ -	\$ 569,226
Bank and merchant fees	-	-	-	56	56	5,900	-	5,956
Dues and subscriptions	2,770	613	3,180	1,771	8,334	10,027	-	18,361
Client relations	275	78	22,263	25,229	47,845	-	-	47,845
Computer and software costs	3,449	508	1,031	2,932	7,920	2,747	-	10,667
Contributed nonfinancial assets	-	80	94,529	48,697	143,305	-	-	143,305
Depreciation	31,824	-	98	451	32,372	801	-	33,173
Events	-	-	-	-	-	-	21,889	21,889
Facilities rent	-	-	15,800	37,158	52,958	15,800	-	68,758
Insurance	6,344	1,513	1,372	4,892	14,121	3,657	-	17,778
Janitorial services	6,700	-	3,263	3,250	13,213	3,087	-	16,300
Marketing	38,099	-	993	96	39,188	6,173	-	45,361
Medical supplies	3,635	-	-	233	3,868	-	-	3,868
Professional fees	-	-	-	-	-	4,725	-	4,725
Program supplies	13,985	533	4,433	3,297	22,248	2,454	-	24,702
Printing and postage	1,213	820	580	504	3,117	12,602	-	15,719
Repairs and maintenance	1,053	-	1,428	-	2,481	322	-	2,803
Staff development	5,948	412	2,052	3,440	11,852	9,948	-	21,800
Scholarships	-	4,000	-	-	4,000	-	-	4,000
Telephone and Internet	2,896	-	1,809	3,493	8,198	2,675	-	10,873
Travel	331	1,084	502	691	2,608	499	-	3,107
Utilities	6,957	-	2,741	400	10,098	2,740	-	12,838
Total expenses before	<u>286,469</u>	<u>30,391</u>	<u>232,038</u>	<u>236,122</u>	<u>785,019</u>	<u>296,146</u>	<u>21,889</u>	<u>1,103,054</u>
Less expenses included with revenues on the statement of activities								
Direct cost of special events	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,889)</u>	<u>(21,889)</u>
<b>Total expenses included on the statement of activities</b>	<u><b>\$ 286,469</b></u>	<u><b>\$ 30,391</b></u>	<u><b>\$ 232,038</b></u>	<u><b>\$ 236,122</b></u>	<u><b>\$ 785,019</b></u>	<u><b>\$ 296,146</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 1,081,165</b></u>

See notes to financial statements and accountants' compilation report.

**GRACE HOUSE MINISTRIES**  
**STATEMENT OF CASH FLOWS**  
**For the Years Ended December 31, 2024**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase (decrease) in net assets	\$ (16,028)
Adjustments to reconcile increase (decrease) in net assets to cash provided (used) by operating activities:	
Depreciation	33,173
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	<u>(5,273)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>11,872</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Acquisition of Certificate of Deposits	<u>(8,525)</u>
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<u>(8,525)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	3,347
<b>CASH AT BEGINNING OF YEAR</b>	<u>503,438</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 506,785</u></u>

See notes to financial statements and accountants' compilation report.

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

Grace House Ministries (Organization) is a faith based 501(c)(3) nonprofit corporation located in Weatherford, Texas. Founded in 1993, Grace House Ministries strives to promote hope, life, and knowledge in the community through Options Clinic, Grace House Pregnancy Center, a Mineral Wells location, and Pure Truth in-school training program.

Options Clinic (Clinic) provides a private and confidential environment for women and men experiencing an unplanned pregnancy. The Clinic offers free pregnancy testing and pregnancy verification through limited ultrasound technology, under the medical direction of a licensed physician. Our client advocates and nurses foster a relationship of trust and support that extends beyond the initial appointment. Our Clinic provides pregnancy consultation, STI information and education, abortion education, adoption education and referral, medical and social service referral, and post abortion recovery programs.

Grace House Pregnancy Center (Center) offers free pregnancy, parenting, and life skills classes. The classes provide a safe environment for clients to learn, grow, and connect with other parents. Clients attending class have the benefit of earning credit to purchase items in the boutique (offering clothing, shoes, baby equipment, diapers, formula, and toys).

Mineral Wells combines the services of the Clinic and the Center, offering free pregnancy testing, pregnancy options advocacy, ultrasounds, parenting education, material assistance and ongoing support from pregnancy through the toddler years.

Our Pure Truth in-school training program is a free service offered in local schools. Professionals volunteer their time to teach a wellness and sexual education program to middle school and high school students. This program addresses high-risk behaviors, emotional needs, sexually transmitted infections, dating, relationships, and goal setting.

The Organization is funded primarily by the generosity of churches, businesses, and individuals in the community with some financial support from grants and foundations. This allows the Organization to offer services free of charge.

Basis of Accounting

The Organization prepares its financial statements in accordance with generally accepted accounting principles applicable to nonprofit organization, which involves the application of

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenue

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contributions is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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.

Gifts in kinds are recognized as contributions at their estimated fair values at date of receipt. Contributions of services are recorded at estimated fair value if the services received create or enhance nonfinancial assets or require specialized skills and would typically need to be purchased if not provided by donation. Many individuals volunteer their time and perform a variety of nonprofessional tasks that assist the Organization with specific programs, campaign solicitations and various committee assignments. The value of these services is not reflected in the financial statements as they do not meet the requirements for recognition in accordance with GAAP.

Special event revenue is recognized at the time of the event.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses present expenses by function and natural classification. Certain costs are charged directly to the functions they benefit.

Other expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facilities and equipment, utilities, and depreciation, which are allocated on a square footage basis, as well as compensation and benefits and office expenses, which are allocated on the basis of estimates of time and effort.

Cash and Cash Equivalents

For purposes of the statements 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.

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Inventory

Inventory consists of donated baby clothing, shoes, equipment, diapers, formula and toys. The inventory is provided to students who have earned class credits by participating in parent education classes. Inventory is valued and stated at fair market value.

Property and Equipment

Property and equipment are recorded at cost, if purchased, and fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$1,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets as follow:

Building	15 - 30 years
Furniture and equipment	5 - 10 years

Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Fair Value of Financial Instruments

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash and grant receivable. For these financial instruments, carrying values approximate fair value.

**NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Cash, certificates of deposit, and accounts receivable make up the liquid financial assets of the Organization. However, certificates of deposit would be subject to early withdrawal penalties if withdrawn before the maturity date. The Organization receives support without donor restrictions to fund its programs and supporting services. A budget is adopted each year to plan spending.

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)**

The following table presents financial assets available for expenditures within one year at December 31, 2024:

Financial assets, at year end:	
Cash	\$ 506,785
Certificate of Deposit	503,525
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Financial assets available to meet general expenditures over the next twelve months	\$ 1,010,310
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**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at December 31, 2024:

Land	\$ 157,558
Buildings	693,490
Furniture and equipment	135,169
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	986,217
Accumulated Depreciation	(286,828)
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	\$ 699,389
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**NOTE 4 – OPERATING LEASE COMMITMENT**

Effective for the year ended December 31, 2024, 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 lease 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 and revenue on the straight-line basis.

**GRACE HOUSE MINISTRIES**  
**Notes to Financial Statements**  
**December 31, 2024**

**NOTE 5 – CONTRIBUTION OF NONFINANCIAL ASSETS**

The Organization received the following contributions of nonfinancial assets during the year ended December 31, 2024.

	Program	Administrative	Fundraising	Total
Equipment	\$ -	\$ -	\$ -	\$ -
Goods	143,305	-	-	143,305
	<u>\$ 143,305</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,305</u>

***Equipment***

Contributed equipment is reported at the fair market value of similar equipment for sale online.

***Goods***

Contributed goods are reported at the fair market value of similar goods for sale online.

**NOTE 6 – SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through October 30, 2025, the date which the financial statements were available to be issued.