PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO

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OTTINGER & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
People In Need, Inc. of Delaware County Ohio
Delaware, Ohio

Opinion

We have audited the accompanying financial statements of People In Need, Inc. of Delaware County Ohio (a nonprofit organization), which comprise the statement of financial position as of June 30, 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 our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of People In Need, Inc. of Delaware County as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 People In Need, Inc. of Delaware County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 People In Need, Inc. of Delaware County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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.

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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 People In Need, Inc. of Delaware County'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 People In Need, Inc. of Delaware County'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.

Ottinger & Associates, LLC

Ottinger & Associates, LLC
Galena, Ohio
October 11, 2024

PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 362,889	$ 102,130	$ 465,019
Accounts Receivable, Net of Allowance of $-0-	10,411	88,400	98,811
Grants Receivable, Net of Allowance of $-0-	6,006		6,006
Prepaid Expenses	9,865		9,865
TOTAL CURRENT ASSETS	**389,171**	**190,530**	**579,701**
PROPERTY AND EQUIPMENT:			
Land	140,000		140,000
Building and Improvements	485,141		485,141
Equipment and Furniture	175,819		175,819
IT and Telecommunications	24,382		24,382
Vehicles	171,993		171,993
Land Improvements	106,262		106,262
Construction In Progress - New Parking Lot	14,164		14,164
Right of Use Asset	1,436		1,436
Less: Accumulated Depreciation	(447,538)		(447,538)
NET PROPERTY AND EQUIPMENT	**671,659**	**0**	**671,659**
OTHER ASSETS:			
Morgan Stanley Equity & Fixed Income Investment	691,854		691,854
PIN Endowment Fund		303,211	303,211
TOTAL OTHER ASSETS	**691,854**	**303,211**	**995,065**
TOTAL ASSETS	**$ 1,752,684**	**$ 493,741**	**$ 2,246,425**

LIABILITIES AND NET ASSETS

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
CURRENT LIABILITIES:			
Accounts Payable	$ 12,709		$ 12,709
Accrued Expenses	14,403		14,403
Lease Liability - Current Portion	1,436		1,436
TOTAL CURRENT LIABILITIES	**28,548**	**0**	**28,548**
TOTAL LIABILITIES	**28,548**	**0**	**28,548**
NET ASSETS:			
Net Assets	1,724,136	493,741	2,217,877
TOTAL NET ASSETS	**1,724,136**	**493,741**	**2,217,877**
TOTAL LIABILITIES & NET ASSETS	**$ 1,752,684**	**$ 493,741**	**$ 2,246,425**

See Independent Auditor's Report and Accompanying Notes to the Financial Statements.

PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

INCREASES IN NET ASSETS:	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUE:			
Public Support:			
Monetary Contributions to Programs	$ 601,435	$ 41,130	$ 642,565
Monetary Contributions to Capital Projects	19,000	113,400	132,400
Foundation Support	180,789	36,000	216,789
Goods Contributed to Programs	1,241,913		1,241,913
Total Public Support	2,043,137	190,530	2,233,667
Other Revenue:			
Other Grants		218,101	218,101
Investment Income, Net of fees	25,240	6,561	31,801
Miscellaneous Income	4,138		4,138
Total Other Revenue	29,378	224,662	254,040
Transfer of Revenues for which Restrictions have or have not been met	253,524	(253,524)	-
TOTAL INCREASES IN NET ASSETS	**2,326,039**	**161,668**	**2,487,707**
DECREASES IN NET ASSETS:			
Expenses:			
Program Expenses:			
Emergency Assistance	530,591		530,591
Food Pantry	1,330,031		1,330,031
Holiday Clearing House	231,862		231,862
Total Program Expenses	2,092,484		2,092,484
Management, General and Fundraising Expenses:			
Management and General	99,172		99,172
Fundraising	85,506		85,506
Total Management, General and Fundraising Expenses	184,678		184,678
TOTAL DECREASES IN NET ASSETS	**2,277,162**		**2,277,162**
OTHER INCREASES/(DECREASES) IN NET ASSETS			
Unrealized Gain/(Loss) on Investments	35,455	25,627	61,082
Realized Gain/(Loss) on Investments	9,007	918	9,925
NET INCREASE/(DECREASE) IN NET ASSETS	**93,339**	**188,213**	**281,552**
NET ASSETS AT BEGINNING OF YEAR - RESTATED	1,630,797	305,528	1,936,325
NET ASSETS AT END OF YEAR	**$ 1,724,136**	**$ 493,741**	**$ 2,217,877**

PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Management & General	Fundraising	Emergency Assistance	Food Pantry	Holiday Clearing House	Total Expenses
Contributed Goods	$ -	$ -	$ 9,395.00	$ 1,084,577	$ 147,940	$ 1,241,912
Specific Assistance to Individuals			433,352	86,340	6,000	525,692
Salaries	61,696	53,194	58,082	60,663	51,328	284,963
Depreciation	2,836	2,445	2,641	39,611	5,281	52,814
Occupancy	2,594	2,237	2,415	36,231	4,831	48,308
Payroll Taxes	6,187	5,334	5,824	6,083	5,147	28,575
Health Insurance	5,394	4,651	5,078	5,304	4,488	24,915
Legal and Professional Fees	12,952	11,167	-	-	-	24,119
Miscellaneous	1,656	1,428	5,279	2,035	1,937	12,335
Fundraising Expenses	1,030	888	3,282	1,265	1,204	7,669
Fees for Interns	1,623	1,400	1,529	1,597	1,351	7,500
Retirement Costs	1,068	921	1,005	1,050	888	4,932
Travel - Staff and Volunteers	236	203	219	3,291	439	4,388
Supplies	448	386	1,428	550	524	3,336
Printing and Publications	311	268	992	382	364	2,317
Membership Dues	1,066	919	-	-	-	1,985
Equipment Rental and Maintenance	75	65	70	1,052	140	1,402
Total Functional Expenses	**$ 99,172**	**$ 85,506**	**$ 530,591**	**$ 1,330,031**	**$ 231,862**	**$ 2,277,162**

See Independent Auditor's Report and Accompanying Notes to the Financial Statements.

PEOPLE IN NEED, INC. OF DELAWARE COUNTY OHIO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Cash Flows From Operating Activities:			
Net Increase/(Decrease) in Net Assets	$ 93,339	$ 188,213	$ 281,552
Adjustments to Reconcile Net Increase/(Decrease) in Net Assets to Net Cash Provided By/(Used In) Operating Activities:			
Depreciation Expense	52,814		52,814
Realized (Gains)/Losses	(9,007)	(918)	(9,925)
Unrealized (Gains)/Losses	(35,455)	(25,627)	(61,082)
Changes in Operating Assets and Liabilities:			
(Increase) / Decrease in Grants Receivable	36,514		36,514
(Increase) / Decrease in Accounts Receivable	20,436	(73,400)	(52,964)
(Increase) / Decrease in Prepaid Expenses	(8,991)		(8,991)
Increase / (Decrease) in Accounts Payable	10,899		10,899
Increase / (Decrease) in Accrued Expenses	(15,475)		(15,475)
Increase / (Decrease) in Deferred Revenue	(21,623)		(21,623)
Net Cash Provided By/(Used In) Operating Activities	**123,451**	**88,268**	**211,719**
Cash Flows From/(Used In) Investing Activities:			
Purchase of Property and Equipment	(25,125)		(25,125)
Proceeds from Sale of Investments	6,262	2,387	8,649
Purchase of Investments	(24,873)	(10,148)	(35,021)
Net Cash Provided by/(Used In) Investing Activities	(43,736)	(7,761)	(51,497)
Net Increase/(Decrease) in Cash and Cash Equivalents	79,715	80,507	160,222
Cash and Cash Equivalents - Beginning of Year	283,174	21,623	304,797
Cash and Cash Equivalents - End of Year	**$ 362,889**	**$ 102,130**	**$ 465,019**

Supplemental Information:	
Income Taxes Paid	$ 6,202
Interest Paid	$ 133
Non-Cash Investing and Financing Activities:	
Reduction of Right-of-Use Asset-Operating	$ 2,769
Reduction of Lease Liability-Operating	$ (2,769)

See Independent Auditor's Report and Accompanying Notes to the Financial Statements.

Note 1 - Organization

People in Need, Inc. of Delaware County Ohio (the Organization) was organized in 1981 and incorporated as an Ohio nonprofit corporation. The Organization is located in Delaware, Ohio and exists to help Delaware County residents with immediate emergency needs possibly created by job loss, break-up of family, illness, death, or other unexpected family emergencies.

The Organization receives funding primarily through United Way, local community organizations, corporations and individuals.

The Organization's primary programs are as follows:
Emergency Assistance - Housing vouchers are provided to those individuals and families who are unable to maintain their present location. Limited assistance is available for unusual and unexpected utility bills and other miscellaneous expenses for those who are experiencing hard times. Assistance for certain medical needs is provided on a limited basis. Dental treatment is available to adults and school-age children through financial allocations.

Food Pantry – Needy families and individuals are provided with emergency food orders and nutritional guidance.

Holiday Clearing House – New toys and new clothes are distributed to needy children, food baskets to their families and senior/disabled shut-ins for the holidays. Remaining donations of food and monies are Board-allocated to the direct services of the Food Pantry and Emergency Assistance Programs.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting
The financial statements of the Organization have been prepared on the accrual basis of accounting, which recognizes income when it is earned and expenses when they are incurred. This basis of accounting is in accordance with accounting principles generally accepted in the United States of America. The Organization is required to report information regarding its financial position and activities according to net assets with and without donor restrictions.

Net Assets – Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all of the income earned on related investments for general or specific purposes. Net Assets with donor restrictions also include net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.

Revenue Recognition
All items of support and revenue are stated on the accrual basis.

Support and revenue are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions that are not satisfied in the accounting period. Gains and losses on investments and other assets or liabilities are recorded as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

All expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets, that is, the expiration of the donor-imposed stipulated purposes or the elapsing of the specified time period, are reported as reclassifications of net assets.

Note 2 - Summary of Significant Accounting Policies -- (Continued)

Revenue Recognition -- (Continued)

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the Organization recognizes revenue when control of the promised goods or services are transferred to outside parties in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods or services.

The Organization recognizes revenue from grants and contracts in accordance with Accounting Standards Update (ASU) 2018-08, Not-For-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* In accordance with ASU 2018-08, the Organization evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Organization applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Organization is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Fair Value Measurements

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2—Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

Level 3—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the year ended June 30, 2024.

Fair Value of assets measured on a recurring basis as of June 30, 2024:

Cash and Cash Equivalents – Level 1 - $465,019
Investment – Morgan Stanley brokerage account – Level 1 - $691,854
Investment – PIN Endowment Fund – Level 1 - $303,211

The portfolio at Morgan Stanley consists of cash and alternatives of $39,377; fixed income assets of $385,059 and $267,418 of equities.

The PIN Endowment at Delaware County Foundation, all managed on a pooled fund basis by Clearstead Investments Co. All are stated at fair value on the statement of financial position as of June 30, 2024. The pooled fund consists of $206,790 of equities, $87,325 of fixed income and $9,096 of cash and equivalents.

Note 2 - Summary of Significant Accounting Policies -- (Continued)

Use of Estimates

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Flows

For purposes of the statement of cash flows, the Organization considers all cash in checking accounts, money market accounts, certificates of deposit and petty cash to be cash equivalents (original maturities of three months or less). As of June 30, 2024, the total cash and cash equivalents were $465,019. Interest paid was $133 and taxes paid during the year was $6,202.

Revenues

The Organization's primary sources of operating revenues are grants received from the United Way and monetary contributions received from individuals, corporations and community organizations. In addition, the Organization receives contributions of goods from local retailers, individuals and community organizations. Grants from United Way are program specific and are considered restricted for the specific programs when received. Other contributions are generally revenues without donor restrictions and are recognized when received.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been allocated on a functional basis among the various programs and support services. Expenses are allocated based upon employee time spent in those areas. Where possible, expenses are identified with specific programs or support services and recorded accordingly.

Property and Equipment

Property and equipment are stated at cost if purchased or the fair value at the time of contribution and depreciated over the estimated useful lives of the assets using the straight-line method. The lives of the assets range from five to forty years. Expenditures over $1,000 are considered for capitalization, lesser amounts are expensed.

Federal Income Taxes

All of the Organization's revenue is exempt from Federal income taxes pursuant to section 501 (c) (3) of the Internal Revenue Code. In addition, the Organization has been determined by Internal Revenue Service to not be a private foundation within the meaning of Section 509(a) of the Code. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization paid income taxes of $6,202 during the year ended June 30, 2024. The Organization has not incurred taxes during the year, however, taxes paid related to accrued taxes from the prior year. The Organization is subject to income tax examination for years after June 30, 2021 related to the federal form 990, *Return of Organization Exempt from Income Tax*, which is filed on an annual basis.

Recent Accounting Pronouncements

In June 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets* to increase the transparency of contributed nonfinancial assets through enhancement to presentation and disclosure. The new guidance requires contributed nonfinancial assets to be presented as a separate line item on the consolidated statement of activities, apart from cash and other financial asset contributions. This guidance also requires disclosure of the types of contributed nonfinancial assets and, for each category, information about whether the assets were monetized or utilized, a description of the policies to monetize or utilize such assets, a description of donor-imposed restrictions associated with the contributions, and a description of the valuation techniques and principal market used to arrive at a fair value measure at initial recognition. ASU No. 2020-07 was effective for the Organization in fiscal year 2022. The Organization has evaluated the impact this standard on the financial statements.

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents include $102,130 restricted to the Emergency Assistance program and Capital Projects. The remaining cash and cash equivalents of $362,889 are without donor restrictions.

Note 4 - Contributed Goods

The Organization received non-monetary goods that were distributed to needy persons. These goods were valued at $1,241,913 and received from individuals, local community organizations, and corporations. These contributions have been recorded as contributed goods and expenses within the relevant programs, respectively. For the year ended June 30, 2024, contributed nonfinancial assets and services recognized within the statement of activities consisted of the following:

Description	2024	Utilization in Programs / Services	Donor Restrictions	Valuation Techniques-Inputs
Clothing	$ 43,750	Donations for families in need throughout the year as well as the Holidays.	No associated donor restrictions.	Based upon values provided by third parties.
Fans	9,395	Donations for needy persons in the Summer.	No associated donor restrictions.	Based upon values provided by third parties.
Toys for Holidays	104,190	Donations for Children during the Holidays.	No associated donor restrictions.	Based upon values provided by third parties.
Pantry-Food	1,084,578	The pantry program	No associated donor restrictions.	Estimates of retail values.
Total	$1,241,913			

Note 5 - Contributed Services

Contributed services are recorded when they meet the criteria of (1) creating or enhancing non-financial assets or (2) required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Organization relies on volunteers for the operation of its programs. While the number of volunteers is significant, no value has been assigned to these services. The number of volunteers by program is presented below:

Program	Number of Volunteers	Average Hours Contributed	Total Hours Contributed
Board of Directors	13	22.0	286
Produce Market	418	4.5	1,881
Backpacks	204	2.16	442
Food Pantry	4,716	3.0	14,148
Holiday Clearing House	2,253	1.85	4,175
Special Events	130	20.0	2,600
	7,734		23,532

Note 6 - Retirement Plan

The Organization has adopted a SIMPLE IRA plan under which all eligible employees with over one year of service are eligible to participate. Contributions to the plan are discretionary and are determined by the Board of Directors. The Board of Directors can designate up to 2.0% of each employee's gross wages. Contributions for 2024 were 2.0% of each participant's eligible compensation, which amounted to $4,932.

Note 7 - Concentration of Credit Risk

The Organization maintains their bank accounts at several financial institutions. As of June 30, 2024, the Organization did not exceed the Federal Deposit Insurance Corporation insured limit of $250,000. Although the Organization may exceed the insured limits at various times throughout the year, Management does not anticipate incurring any losses. Securities held at Morgan Stanley are insured by SIPC in the event of broker/dealer failure, up to $500,000; however, they are not insured against loss.

Note 8 - Net Asset Restrictions

As of June 30, 2024, the Organization had net assets with donor restrictions available for the following purposes:

Emergency Assistance	$190,530
People In Need, Inc. of Delaware County Ohio Endowment Fund	303,211
Total Net Assets with Donor Restrictions	$493,741

Net assets with donor restrictions were decreased due to satisfying the restricted purposes or by occurrence of other events specified by the donors. As of June 30, 2024, the transfers of net assets from restrictions were as follows:

Emergency Services	$253,524
Net Transfer of Net Assets	$253,524

Note 9 - Fair Values of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments appearing on the statement of financial position for which it is practicable to estimate that value:

a. **Cash and cash equivalents**
Cash and cash equivalents consist principally of investments in short-term (three months or less), interest bearing instruments and are carried at cost plus accrued interest, which approximates fair value.

b. **Accounts receivable**
The fair value of accounts receivable, after allowances for uncollectible accounts, was determined by historical collection rates and analysis of individual accounts.

c. **Investments**
The fair value of investments which consists principally of debt and equity securities was based principally upon quoted market prices.

Note 10 - Subsequent Events

The Organization has not experienced any subsequent event that would provide evidence about the conditions that existed as of the year ended June 30, 2024 or arose subsequent to the date of these financial statements. Also, there were no changes regarding tax status and no material business combinations as of the year ended June 30, 2024 or subsequent to the date of the financial statements.

Note 11 - Endowments

The Organization has sole authority for the receipt, management and investment of all endowment funds. The endowment consists of funds established for a variety of purposes, to provide long term financial stability, facilitate capital improvements and/or provide funding for the its programs.

Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The responsibility for investment of all funds is solely the responsibility of the Board of Directors of the People in Need, Inc. of Delaware County Ohio. The interpretation by the Board of Directors of relevant law is stated as follows:

The Uniform Management of Institutional Funds Acts (UMIFA/ SMIFA) as enacted by the State of Ohio, effective June 1, 2009, applies to all funds unless the donor has specifically directed otherwise. The Board of Directors of the Organization interprets UMIFA/SMIFA as requiring the preservation of the "historic dollar value" of the original gift as of the gift date for donor-restricted endowment funds in the absence of explicit donor stipulations to the contrary. As a result of such interpretation, the Organization classifies as net assets with donor restrictions the original value of donor-restricted endowment funds, the original value of subsequent gifts to donor-restricted endowment funds, the value of accumulations and amounts the board adds at its discretion to the endowment fund made in accordance with the applicable gift instrument at the time the relevant accumulation was added to the fund.

The remaining portion of the donor-restricted endowment fund not classified in permanently restricted net assets is classified either as net assets with or without donor restriction, depending on the intent of each endowment fund until those amounts are appropriated for expenditure by the Organization in a manner consistent with the uses, benefits, purposes and duration for which the endowment is established and the standard of prudence prescribed by UMIFA/SMIFA.

Interpretation of Relevant Law (Continued)

In accordance with UPMIFA/SPMIFA the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purpose of the organization and the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the organization.
- The investment policies of the organization.

The Board of Directors considers the effect of inflation and deflation on the original gift value from the effective date of UPMIFA/SPMIFA, June 1, 2009, or the gift date, whichever is later. Endowment funds are appropriated as of the date of disbursement from the invested asset.

Note 11 – Endowments (Continued)

Spending Policy

The responsibility for investment of all funds is solely the responsibility of the Board of Directors of the Organization. The spending policy and how the investment objectives relate to the spending policy, which is applicable to the endowments herewith presented, are stated as follows:

The Organization has a policy of appropriating for potential distribution each year four percent of its endowment fund's average fair value over the twelve quarters proceeding the quarter in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected net return on its endowment.

Accordingly, over the long term, the Organization expects its endowment assets to grow at a pace at least equal to inflation. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Return Objectives and Risk Parameters

The responsibility for investment of all funds in the Organization is solely the responsibility of the Board of Directors of the organization. The return objectives and risk parameters applicable to the endowments herewith presented are as follows:

The Organization has adopted investment policies for endowment assets that can provide if it is needed a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

Strategies Employed for Achieving Objectives

The responsibility for investment of all funds in the Organization is solely the responsibility of the Board of Directors of the Organization. The strategies employed for achieving objectives applicable to the endowments herewith presented are as follows: To satisfy its long-term objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diverse asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficiencies

From time to time the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UMIFA/SMIFA requires the Organization to retain as a fund of perpetual duration. However, the Organization's endowments have not fallen below that donor level. Currently, endowment funds are invested with Delaware County Foundation on a pooled investment basis.

Note 11 – Endowments (Continued)

The following tables present the necessary information for endowments credited to People in Need, Inc. of Delaware County Ohio:

Balance June 30, 2023	**$ 268,905**
Contributions	1,200
Investment Return:	
Interest/Dividends	8,947
Realized Gains/(Losses)	918
Unrealized Gains/(Losses)	25,627
Withdrawals for Specified Purposes	(1,056)
Investment Fees	(1,330)
Balance June 30, 2024	**$ 303,211**

NOTE 12 - Liquidity and Reserves

The Organization has a policy to manage its liquidity and reserves following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The following table reflects the Organization's financial assets (cash and cash equivalents and instruments) as of June 30, 2024 reduced by amounts not available for general expenditures within one year.

	2024
Total financial assets	$ 1,564,901
Less: those unavailable for general expenditures within one year due to:	
Purpose and time lapse restrictions	(493,741)
Financial assets available to meet needs for general expenditures within one year	$ 1,071,160

NOTE 13 - Leases

The Organization has a lease agreement for office equipment. The Organization determines if an arrangement is a lease or contains a lease at a contract's inception. A contract is determined to be or contain a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In evaluating its contracts, the Organization separately identifies lease and non-lease components, such as maintenance costs. The Organization has elected the practical expedient to not separate lease and non-lease components. The Organization's lease agreements do not contain any residual value guarantees or material restrictive covenants.

Leases result in recognition of right-of-use ("ROU") assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term. Lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date. ROU assets and lease liabilities for operating and finance leases are included in the statement of financial position and presented separately based on the classification of the underlying lease agreement.

NOTE 13 - Leases (Continued)

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The discount rate is based on the rate implicit within the lease. If this rate is unknown, The Organization has elected the practical expedient to use a risk-free rate for operating leases or the incremental borrowing rate using a period comparable with the lease term for finance leases. The lease term may include options to extend or terminate the lease that The Organization is reasonably certain to exercise.

The Organization has lease agreements that do not exceed 12 months ("short-term leases"). The Organization has elected not to recognize ROU assets and lease liabilities for short-term leases and accordingly, they are excluded from the accompanying statements of financial position.

Components of lease expense for the year ended June 30, 2024 is summarized as follows:

Lease Expense: (1)	
Operating lease cost	$2,902
Total lease expense	$2,902

(1)Lease expense represents the amount recorded within the statement of activities. Variable lease amounts represent expenses recognized as incurred which are not included in lease liabilities. Operating lease expenses are recorded on a straight-line basis over the lease term and therefore are not necessarily representative of cash payments during the same period.

Supplemental quantitative information related to lease for the year ended June 30, 2024 is as follows:

Cash paid for the amounts included in the measurement of lease obligations	$2,902
Weighted average remaining lease term (in years) – operating leases	1 year
Weighted average discount rate – operating leases	5.0%

Minimum future lease payments under non-cancelable leases having remaining terms in excess of one year as of June 30, 2024 is as follows:

Year ended June 30, 2025	$1,451
Total	1,451
Less: Imputed Interest Expense	(15)
Right-Of-Use Asset Reported	$1,436

NOTE 14 – Accounts and Grants Receivable

Accounts receivable primarily consist of amounts due from contractors for programs. Grants receivable consists of amounts due from Source Point grant. No provision has been made for uncollectible accounts as management considers all to be collectible. Uncollectible accounts are expensed on an individual basis when they are deemed to no longer be collectible. Management determines allowance based upon historical experience and analysis of individual accounts.