Orthodox Volunteer Corps

Audited Financial Statements

Years Ended June 30, 2023 and 2022

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Contents

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Independent Auditors' Report

Board of Directors
Orthodox Volunteer Corps
Pittsburgh, Pennsylvania

Opinion

We have audited the financial statements of the Orthodox Volunteer Corps (a nonprofit incorporated in Washington, D.C.), which comprise the statements of financial position as of June 30, 2023 and 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Orthodox Volunteer Corps as of June 30, 2023 and 2022, 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 for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Orthodox Volunteer Corps 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 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 the Orthodox Volunteer Corps' ability to continue as a going concern for one year after the date that the financial statements are 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 not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 Orthodox Volunteer Corps' 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 Orthodox Volunteer Corps' 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.

Beerman, Piper and Associates, LLC

Pittsburgh, Pennsylvania
August 9, 2023

Orthodox Volunteer Corps

Statements of Financial Position

	June 30, 2023	June 30, 2022
Assets		
Cash and cash equivalents	$ 178,880	$ 156,299
Prepaid expenses and deposits	5,469	9,420
Operating lease right of use asset	37,700	-
Total assets	$ 222,049	$ 165,719
Liabilities and net assets		
Accounts payable	$ 891	$ 411
Other liabilities	1,012	2,548
Operating lease liability	37,700	-
Total liabilities	39,603	2,959
Net assets		
Without donor restrictions	182,446	162,760
Total liabilities and net assets	$ 222,049	$ 165,719

See notes to financial statements.

Orthodox Volunteer Corps

Statements of Activities

	Year ended June 30, 2023	2022
Revenue and support		
Private contributions	$ 218,417	$ 238,238
Placement partner fees	90,000	-
Donated property	-	1,855
Contributed services	10,000	7,500
Other income	1,013	3,290
Total revenue and support	319,430	250,883
Expenses		
Program services	239,847	50,409
Support services	59,897	84,680
Total expenses	299,744	135,089
Increase in net assets	19,686	115,794
Net assets at beginning of year	162,760	46,966
Net assets at end of year	$ 182,446	$ 162,760

See notes to financial statements.

Orthodox Volunteer Corps

Statement of Functional Expenses

Year Ended June 30, 2023

	Program Services	Support: Management and General	Support: Fundraising	Total
Compensation	$ 129,883	$ 11,460	$ 11,460	$ 152,803
Professional services	-	11,534	-	11,534
Advertising and promotion	2,365	-	2,364	4,729
Technology	2,677	236	236	3,149
Participant costs	48,505	-	-	48,505
Retreat costs	8,243	-	-	8,243
Participant housing	38,428	-	-	38,428
Risk and compliance	-	18,137	-	18,137
Office and miscellaneous expenses	9,746	569	3,901	14,216
Total	$ 239,847	$ 41,936	$ 17,961	$ 299,744

See notes to financial statements.

Orthodox Volunteer Corps

Statement of Functional Expenses

Year Ended June 30, 2022

	Program Services	Support: Management and General	Support: Fundraising	Total
Compensation	$ 38,950	$ 29,212	$ 29,212	$ 97,374
Professional services	-	7,872	-	7,872
Advertising and promotion	3,152	-	3,152	6,304
Technology	3,783	1,036	3,438	8,257
Participant housing	1,450	-	-	1,450
Risk and compliance	-	4,142	4,537	8,679
Office and miscellaneous expenses	3,074	651	1,428	5,153
Total	$ 50,409	$ 42,913	$ 41,767	$ 135,089

See notes to financial statements.

Orthodox Volunteer Corps

Statements of Cash Flows

	Year ended June 30, 2023	2022
Cash flows from operating activities:		
Increase in net assets	$ 19,686	$ 115,794
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilties:		
Prepaid expenses and deposits	3,951	(6,731)
Accounts payable	480	411
Other liabilities	(1,536)	2,548
Net cash provided by operating activities	22,581	112,022
Increase in cash and cash equivalents	22,581	112,022
Cash and cash equivalents at beginning of year	156,299	44,277
Cash and cash equivalents at end of year	$ 178,880	$ 156,299

See notes to financial statements.

Note 1—Nature of Business and Operations

Orthodox Volunteer Corps (OVC) is a nonprofit organization, incorporated in Washington, D.C. and based in Pittsburgh, PA. The mission of OVC is to develop and equip Orthodox young adults to lead lives of faithful service for Church and world.

OVC accomplishes this by providing opportunities for immersive service with the most vulnerable, formation in faith and leadership, cultivation of community, and engagement in the Church. OVC began its first cohort in late August 2022, is running a second full-time cohort in 2023-24, and will launch a part-time program in October 2023.

OVC is an official agency of the Assembly of Canonical Orthodox Bishops of the United States of America ("The Assembly"). OVC is governed by a volunteer Board of Directors comprised of clergy and laity representing diverse Christian Orthodox jurisdictions. OVC is supported through individual donations, grants, program-generated funds, parish & parachurch contributions, and corporate giving.

Note 2—Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. Resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

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

Net Assets Without Donor Restrictions—Net assets available for use in general operations and not subject to donor-imposed stipulations unless restricted for general operations. From time to time, the Organization's Board of Directors may designate from net assets for particular purposes and objectives.

Note 2—Summary of Significant Accounting Policies (continued)

Basis of Accounting and Presentation (continued)

Net Assets With Donor Restrictions—Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or passage of time. These balances represent the unexpended portion of donor-restricted contributions and investment return to be used for specific programs and activities as directed by the donor. The balances also included net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization (e.g., endowment funds). Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Contributions

OVC receives grants and contributions from private organizations and others. These revenues are recorded when earned under the grant agreements. Unconditional promises are reported at fair value at the date the promise is received. Conditional promises are recorded when the condition has been met or it is probable that the condition will be met.

OVC sells all donated shares at current market prices as soon as reasonably practicable to reduce the risk of material fluctuations in value. The fair value of the shares on the date of donation are included in contributions.

OVC has received donated accounting professional services during the years ended June 30, 2023 and 2022. These amounts are reflected as an increase in contributed services income and a corresponding increase in professional service expense.

In-kind property donations are estimated based on third-party valuations of similar goods and OVC's best estimate of condition.

Note 2—Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents include all short-term highly liquid investments with maturities from the date of purchase of three months or less. The Organization maintains its cash balances in one financial institution located in Pittsburgh, Pennsylvania. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000. The cash balances fluctuate from time to time. At June 30, 2023, the Organization had no uninsured balances.

Income Taxes

The Organization is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 (the Code) and has been classified as an organization which is not a private foundation under Sections 509 (a)(1) and 170 (b)(1)(A)(vi) of the Code. As such, no provision for federal income tax has been made in the financial statements.

U.S. GAAP requires that a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include any uncertain tax positions since inception.

Functional Allocation of Expenses

OVC allocates its expenses between three functional categories: Program, Management and General, and Fundraising. The combination of Management and General and Fundraising expenses are reported as Support Expenses on the Statement of Activities. Through the current period, OVC has only incurred expenses related to the formation of a single program so it has not further disaggregated its Program expenses. Certain expenses can be directly allocated to a functional category, while other expenses have been attributed to a functional category on an indirect basis using a reasonable allocation methodology.

Subsequent Events

The Organization has evaluated subsequent events through August 9, 2023, the date the financial statements were available to be issued, and has concluded that no recognized subsequent events have occurred since the year ended June 30, 2023.

Note 3—Operating Right of Use Lease

OVC executed a lease for participant housing effective August 15, 2022 and exercised an option to extend the lease to July 15, 2024. Based on the terms of the lease, monthly rent will total $2,900. As a result, OVC has recorded an operating lease right of use asset and a corresponding lease liability totaling $37,700 as of June 30, 2023.

Note 4—Liquidity and Availability of Financial Resources

Looking forward, the financial assets available for general expenditure within one year of the statement of financial position date as of June 30, 2023 totals $182,446. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.