

ORTHODOX VOLUNTEER CORPS

FINANCIAL STATEMENTS

Years Ended June 30, 2025 and 2024

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Hennessy Blotzer, LLC
2539 Washington Rd, Ste. 1020-D
Pittsburgh, PA 15241
www.hb-cpas.com
(412) 930-4224

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Orthodox Volunteer Corps

Opinion

We have audited the accompanying financial statements of Orthodox Volunteer Corps (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, 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 Orthodox Volunteer Corps as of June 30, 2025, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 Orthodox Volunteer Corps' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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.

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 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 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.

Prior Period Financial Statements

The financial statements of Orthodox Volunteer Corps as of June 30, 2024, were audited by other auditors whose report dated September 24, 2024, expressed an unmodified opinion on those statements.

Hennessy Blotzer, LLC

Pittsburgh, Pennsylvania
October 27, 2025

ORTHODOX VOLUNTEER CORPS
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 830,057	\$ 235,254
Investments	424,919	80,947
Accounts receivable	18,077	55,375
Prepaid expenses and deposits	14,540	7,628
Total Current Assets	<u>1,287,593</u>	<u>379,204</u>
NONCURRENT ASSETS		
Operating lease right of use asset	<u>34,305</u>	<u>71,050</u>
TOTAL ASSETS	<u><u>\$ 1,321,898</u></u>	<u><u>\$ 450,254</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 9,053	\$ 3,831
Other liabilities	3,228	3,562
Operating lease liability	<u>34,305</u>	<u>34,800</u>
Total Current Liabilities	<u>46,586</u>	<u>42,193</u>
NONCURRENT LIABILITIES		
Operating lease liability	<u>-</u>	<u>36,250</u>
TOTAL LIABILITIES	<u>46,586</u>	<u>78,443</u>
NET ASSETS		
Net assets without donor restrictions	<u>1,275,312</u>	<u>371,811</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,321,898</u></u>	<u><u>\$ 450,254</u></u>

See accompanying notes to the financial statements.

ORTHODOX VOLUNTEER CORPS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
SUPPORT AND REVENUE		
Contributions	\$ 1,175,778	\$ 396,637
Placement partner fees	256,800	123,000
Contributed services	-	10,000
Rental income	-	3,500
Investment loss, net	(28)	(53)
Interest income	18,667	5,890
Total Support and Revenue	<u>1,451,217</u>	<u>538,974</u>
EXPENSES		
Program services	474,401	274,796
Management and general	53,726	50,097
Fundraising	19,589	24,716
Total Expenses	<u>547,716</u>	<u>349,609</u>
CHANGE IN NET ASSETS	903,501	189,365
NET ASSETS AT BEGINNING OF YEAR	<u>371,811</u>	<u>182,446</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 1,275,312</u></u>	<u><u>\$ 371,811</u></u>

See accompanying notes to the financial statements.

ORTHODOX VOLUNTEER CORPS
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2025

	Program Services	Management and General	Fundraising	Total
Compensation	\$ 190,288	\$ 17,827	\$ 12,789	\$ 220,904
Professional services	-	8,197	-	8,197
Advertising and promotion	3,830	-	3,830	7,660
Technology	23,649	2,087	2,087	27,823
Participant costs	135,566	-	-	135,566
Retreat costs	16,298	-	-	16,298
Participant housing	94,768	-	-	94,768
Risk and compliance	-	24,732	-	24,732
Office and miscellaneous expenses	10,002	883	883	11,768
	<u>\$ 474,401</u>	<u>\$ 53,726</u>	<u>\$ 19,589</u>	<u>\$ 547,716</u>

See accompanying notes to the financial statements.

ORTHODOX VOLUNTEER CORPS
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Compensation	\$ 141,320	\$ 12,470	\$ 12,470	\$ 166,260
Professional services	-	13,423	-	13,423
Advertising and promotion	8,625	-	8,625	17,250
Technology	3,287	290	290	3,867
Participant costs	62,541	-	-	62,541
Retreat costs	12,495	-	-	12,495
Participant housing	38,069	-	-	38,069
Risk and compliance	-	23,421	-	23,421
Office and miscellaneous expenses	8,459	493	3,331	12,283
	<u>\$ 274,796</u>	<u>\$ 50,097</u>	<u>\$ 24,716</u>	<u>\$ 349,609</u>

See accompanying notes to the financial statements.

ORTHODOX VOLUNTEER CORPS
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 903,501	\$ 189,365
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net unrealized loss on investments	28	53
Changes in assets and liabilities		
Accounts receivable	37,298	(55,375)
Prepaid expenses and deposits	(6,912)	(2,159)
Accounts payable	5,222	2,940
Other liabilities	(334)	2,550
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>938,803</u>	<u>137,374</u>
INVESTING ACTIVITIES		
Net purchases of investments	<u>(344,000)</u>	<u>(81,000)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(344,000)</u>	<u>(81,000)</u>
NET INCREASE IN CASH	594,803	56,374
CASH AT BEGINNING OF YEAR	<u>235,254</u>	<u>178,880</u>
CASH AT END OF YEAR	<u><u>\$ 830,057</u></u>	<u><u>\$ 235,254</u></u>

See accompanying notes to the financial statements.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE A – ORGANIZATION

Orthodox Volunteer Corps ("OVC" or "the Organization") 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, ran a second full-time cohort in 2023-24, and launched a part-time program in October 2023. In August 2024, OVC expanded to a second city, adding a full-time program in Boston. The full-time and part-time programs continue to run in Pittsburgh.

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 B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Basis of Accounting – 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.

Financial Statement Presentation - In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification ("Codification") topic Presentation of Financial Statements for Not-for-Profit Entities, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed or board 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 portions net assets for particular purposes and objectives.

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 include net assets subject to donor-imposed stipulations that may be maintained permanently by the Organizations (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.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

Donor restricted contributions are reported as an increase in the 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 statement of activities and changes in net assets.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. 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, if any, 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.

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 two financial institutions 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, 2025 and 2024, OVC's uninsured cash balance is \$520,910 and \$0, respectively. The uninsured cash balance as of June 30, 2025 was transferred to the Organization's investment account in July, 2025.

Investments - Investments are recorded at fair value with gains and losses recorded in the statement of operations and changes in net assets in the period in which they arise. Investments consist of certificates of deposit, which are insured by the Federal Deposit Insurance Corporation (FDIC) and are not subject to significant market or credit risk.

Accounts Receivable – Accounts receivable are considered to be fully collectable; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations when that determinations is made.

Leases – The Organization determines if an arrangement is a lease at inception. Operating leases are included as operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. In determining the discount rate used to measure the right-of-use asset and lease liability, the Organization uses the rate implicit in the lease or if not readily available, the risk-free Treasury rate is used in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if they have obtained substantially all the right to the underlying asset through exclusivity if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the Lessor has substantive substitution rights. This evaluation may require significant judgement.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. As of June 30, 2025, the Organization did have one lease that qualified as a short-term lease.

For the years ended June 30, 2025 and 2024, the Organization has one operating lease that comprises the operating lease ROU asset and operating lease liability on the statements of financial position.

Contributed Nonfinancial Assets - Contributed nonfinancial assets include donated professional services and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note H). In-kind property donations are estimated based on third-party valuations of similar goods and OVC's best estimate of condition.

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. 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.

Advertising Costs - The Organization expenses advertising costs as advertising when incurred. Advertising expense totaled \$7,660 and \$17,250 for the years ended June 30, 2025 and 2024, respectively.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE C – INVESTMENTS

The Organization's investments are recorded at fair value. The cost basis and fair value of investments as of June 30 are as follows:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Certificates of Deposit	<u>\$ 425,000</u>	<u>\$ 424,919</u>	<u>\$ 81,000</u>	<u>\$ 80,947</u>

The composition of and changes in investments for the years ended June 30 were as follows:

Balance, June 30, 2023	\$ -
Net unrealized loss of investments	(53)
Purchases of investments	<u>81,000</u>
Balance, June 30, 2024	80,947
Net unrealized loss of investments	(28)
Purchases of investments	<u>344,000</u>
Balance, June 30, 2025	<u>\$ 424,919</u>

NOTE D – FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1 – Valuations based on quoted market prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted market prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted market prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

Following is a description of the valuation methodologies used for assets measured at fair value:

Certificates of Deposit – These are fixed-income investments with specific maturity dates. They are valued using prices obtained from third-party pricing services that apply observable market inputs, such as interest rates and maturity terms. Because these valuations are based on observable inputs rather than quoted prices in active markets for identical instruments, certificates of deposit are classified within Level 2 of the valuation hierarchy.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30:

2025				
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 424,919	\$ -	\$ 424,919
2024				
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 80,947	\$ -	\$ 80,947

NOTE E – LEASES

The Organization entered into a lease agreement for participant housing, with an effective date of August 15, 2024 and ending date of June 30, 2025. Rent expense was \$44,100 and \$0 for the years ended June 30, 2025 and 2024, respectively. Based on the terms of the lease, this lease qualified as a short-term lease under ASC Topic 842.

During the year ended June 30, 2025, the Organization entered into an additional lease agreement for participant housing. The lease is for a 12-month term and commences on July 1, 2025. Under the lease terms, monthly rent is \$4,200. The lease qualifies as a short-term lease under ASC Topic 842. The lease will be expensed on a straight-line basis upon its commencement.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

The Organization entered into an additional lease agreement for participant housing effective August 15, 2022 and exercised an option to extend the lease to June 30, 2026.

Operating lease cost was as follows at June 30:

	2025	2024
Operating lease	\$ 34,800	\$ 34,800

Supplemental cash flow information related to leases was as follows for the years ended June 30:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating lease	\$ 34,800	\$ 34,800

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate at June 30:

	2025	2024
Weighted-average remaining lease term		
Operating lease	12 months	24 months
Weighted-average discount rate	3.14%	3.14%

Future minimum lease payments are as follows for the year ended June 30, 2025:

	Operating Lease
2026	\$ 34,800
Less: present value discount	(495)
Total	\$ 34,305

NOTE F – RESTRICTED NET ASSETS

As of June 30, 2025, and 2024, there were no donor-imposed restrictions on the use or time of funds.

ORTHODOX VOLUNTEER CORPS
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE G – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As of June 30, 2025, the Organization had \$1,273,053 of financial assets available for general expenditure within one year of the statement of financial position, consisting of cash and cash equivalents of \$830,057, short-term investments of \$424,919 and accounts receivable of \$18,077.

As of June 30, 2024, the Organization had \$371,576 of financial assets available for general expenditure within one year of the statement of financial position, consisting of cash and cash equivalents of \$235,254, short-term investments of \$80,947 and accounts receivable of \$55,375.

For both fiscal years ended June 30, 2025 and 2024, 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.

NOTE H – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the statements of activities included:

	<u>2025</u>	<u>2024</u>
Accounting professional services	\$ 0	\$ 10,000

The Organization recognized contributed nonfinancial assets within contributed services revenue and professional service expense. Contributed accounting professional services are recognized at their estimated fair market values at the date of donation. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

NOTE I – CONCENTRATIONS

For the year ended June 30, 2025, approximately 69% of total revenues were received from one donor. The loss or reduction of this support could have a material effect on the Organization's financial position and results of operation. There were no receivables outstanding from this donor at June 30, 2025. For the year ended June 30, 2024, the Organization did not receive a significant portion of its revenues from any single donor.

NOTE J – RECLASSIFICATION

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on the change in net assets or total net assets as previously reported.

NOTE K – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 27, 2025, the date on which the financial statements were available to be issued.