

**ORTHODOX YOUTH & YOUNG ADULT MINISTRIES**

**AUDITED FINANCIAL STATEMENTS**

**YEARS ENDED**

**DECEMBER 31, 2023 AND 2022**

# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Orthodox Youth & Young Adult Ministries  
Washington, DC

### Opinion

We have audited the accompanying financial statements of Orthodox Youth & Young Adult Ministries (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 Orthodox Youth & Young Adult Ministries as of December 31, 2023, and the changes in 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 Youth & Young Adult Ministries 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.

### Prior Period Financial Statements and Report on Summarized Comparative Information

The financial statements of Orthodox Youth & Young Adult Ministries as of December 31, 2022 were audited by other auditors whose report dated September 14, 2023 expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### 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 Youth & Young Adult Ministries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

**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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Orthodox Youth & Young Adult Ministries' 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 Youth & Young Adult Ministries' 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.

*Barnes Wendling CPAs*

Sheffield Village, Ohio  
August 30, 2024

# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## Statements of Financial Position

	December 31,	
	2023	2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 492,558	\$ 130,501
Property and equipment, net	5,801	7,584
<b>TOTAL ASSETS</b>	<b>\$ 498,359</b>	<b>\$ 138,085</b>
<b>LIABILITIES AND NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>Liabilities</b>		
Accounts payable	\$ 35	\$ 2,313
Accrued vacation	12,250	-0-
Accrued payroll and payroll taxes	12,307	13,851
	24,592	16,164
<b>Net Assets Without Donor Restrictions</b>	473,767	121,921
	<b>\$ 498,359</b>	<b>\$ 138,085</b>

See Notes to Financial Statements

## ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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### Statements of Activities and Changes in Net Assets Without Donor Restrictions

	Years Ended December 31,	
	2023	2022
<b>REVENUES</b>		
Contributions	\$ 862,701	\$ 259,631
<b>EXPENSES</b>		
Program services	252,017	160,587
Management and general	220,279	95,461
Fundraising	38,559	17,803
Total expenses	510,855	273,851
Changes in net assets	351,846	( 14,220)
Net assets without donor restrictions, beginning of year	121,921	136,141
<b>Net assets without donor restrictions, end of year</b>	<b>\$ 473,767</b>	<b>\$ 121,921</b>

See Notes to Financial Statements

## ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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### Statement of Functional Expenses for the Year Ended December 31, 2023 with Comparative Totals for for the Year Ended December 31, 2022

	Youth & Young Adult Ministry Program	Management and General	Fundraising	2023 Total	2022 Total
Salaries and wages	\$ 177,853	\$ 156,875	\$ 22,153	\$ 356,881	\$ 157,667
Payroll taxes and employee benefits	27,310	24,032	3,277	54,619	35,478
	205,163	180,907	25,430	411,500	193,145
Insurance	777	6,990	-0-	7,767	7,747
Professional fees	10,869	11,196	2,174	24,239	22,518
Technology and support services	1,912	5,023	2,108	9,043	7,476
Telephone	3,225	2,838	387	6,450	3,150
Office expenses	468	2,796	4,055	7,319	1,333
Video production	-0-	-0-	-0-	-0-	11,400
Travel and meetings	18,855	7,830	1,205	27,890	15,866
Marketing	7,008	414	975	8,397	6,787
Depreciation	891	785	107	1,783	1,119
Miscellaneous	2,849	1,500	2,118	6,467	3,310
	\$ 252,017	\$ 220,279	\$ 38,559	\$ 510,855	\$ 273,851
Total expenses	\$ 252,017	\$ 220,279	\$ 38,559	\$ 510,855	\$ 273,851

See Notes to Financial Statements

# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## Statements of Cash Flows

	Years Ended December 31,	
	2023	2022
<b>Cash Flows From Operating Activities</b>		
Changes in net assets without donor restrictions	\$ 351,846	(\$ 14,220)
Adjustment to reconcile changes in net assets without donor restrictions to net cash provided by operating activities:		
Depreciation	1,783	1,119
Increase (decrease) in liabilities:		
Accounts payable	( 2,278)	2,313
Accrued vacation	12,250	-0-
Accrued payroll and payroll taxes	( 1,544)	13,851
Net cash provided by operating activities	<u>362,057</u>	<u>3,063</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	<u>-0-</u>	<u>( 6,178)</u>
Net increase (decrease) in cash in cash and cash equivalents	362,057	( 3,115)
Cash and cash equivalents at beginning of period	<u>130,501</u>	<u>133,616</u>
<b>Cash and cash equivalents at end of the year</b>	<b><u>\$ 492,558</u></b>	<b><u>\$ 130,501</u></b>

See Notes to Financial Statements



# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## Notes to Financial Statements Years Ended December 31, 2023 and 2022

### NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Activities**

Orthodox Youth & Young Adult Ministries (Organization) is a District of Columbia not-for-profit corporation whose purpose is to equip and support clergy, parents, and ministry workers to meet the needs of young people by providing resources, trainings, retreats, and events, by offering support to parishes, jurisdictions and regions, and by evaluating the effectiveness of this work on an ongoing basis. The Organization's main sources of funding are contributions from the general public and from members of its governing Board of Directors.

#### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Furthermore, the accounting policies adhered to by the Organization are generally consistent with the *Audit and Accounting Guide for Not-For-Profit Entities* issued by the American Institute of Certified Public Accountants.

#### **Basis of Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets:

##### **Net Assets without Donor Restrictions**

Net assets available for use in general operations and not subject to donor-imposed restrictions.

##### **Net Assets with Donor Restrictions**

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those met by the passage of time or other events specified by the donor. Donor restricted contributions in which the restrictions are met in the same reporting period as reported as revenue without donor-imposed restrictions. The Organization had no net assets with restrictions as of December 31, 2023 and 2022.

#### **Cash and Cash Equivalents**

The Organization considers all highly liquid debt instruments purchased with maturities of three months or fewer to be cash equivalents. The Organization's cash balances may exceed the insured limits from time to time.

#### **Property and Equipment**

Property and equipment are stated at cost. Donated property and equipment are stated at estimated fair value. The policy of the Organization is to capitalize assets greater than \$1,000 in value and a useful life of greater than one year. Depreciation is computed using the straight-line method over the useful lives of the assets which is five years.

# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## Notes to Financial Statements Years Ended December 31, 2023 and 2022

### NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Revenue Recognition**

##### *Grants and Contributions*

Grants and contributions are recognized as revenue when received. Grants and contributions without donor-imposed restrictions and grants and contributions with donor-imposed time or purpose restrictions met in the same period as the gift are reported as revenue without donor restriction. Other restricted gifts are reported as restricted support in net assets with donor restriction.

#### **Functional Expenses**

The financial statements report certain categories of expenses attributed to more than one program or supporting function. Expenses identified within a specific program or supporting function are recorded directly according to their natural and functional expense classification. Certain expenses relate to more than one function and require allocation on a reasonable basis consistently applied. These expenses are allocated on the basis of estimates of time and effort.

#### **Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization evaluates at each statement of financial position date uncertain tax positions taken, if any, to determine the need to record liabilities for taxes, penalties, and interest. The Organization's policy is to record interest and penalties on uncertain tax provisions as income tax expense. As of December 31, 2023 and 2022, the Organization has no accrued taxes, interest, or penalties related to uncertain tax positions. The Organization has determined there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

#### **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 affecting certain reported amounts and disclosures. Actual results could differ from those estimates.

#### **Reclassifications**

Certain amounts in the 2022 financial statements have been reclassified to conform to the 2023 reporting presentation. These reclassifications did not have an effect on previously reported assets, liabilities, net assets, or changes in net assets.

#### **Subsequent Events**

The Organization has evaluated subsequent events through August 30, 2024, the date which the financial statements were available to be issued.

# ORTHODOX YOUTH & YOUNG ADULT MINISTRIES

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## Notes to Financial Statements Years Ended December 31, 2023 and 2022

### NOTE B - LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing programs and support services to be general expenditures.

The Organization manages its liquidity and reserves following two guiding principles: operating within a prudent range of financial soundness and stability and maintaining liquid assets to fund near-term operating needs.

Financial assets available for general expenditure within one year of the date of the statement of financial position include cash of \$492,558 and \$130,501 for the years ended December 31, 2023 and 2022, respectively.

### NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	December 31,	
	2023	2022
Office and computer equipment	\$ 6,178	\$ 6,178
Video equipment	<u>2,525</u>	<u>2,525</u>
Less accumulated depreciation and amortization	<u>2,902</u>	<u>1,119</u>
	<u>\$ 5,801</u>	<u>\$ 7,584</u>

Depreciation expense charged to operations for the years ended December 31, 2023 and 2022 was \$1,783 and \$1,119, respectively.

### NOTE D - CONCENTRATIONS

For the year ended December 31, 2022, 67% of the Organization's support and revenue was received from board members.

# **ORTHODOX YOUTH & YOUNG ADULT MINISTRIES**

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## **Notes to Financial Statements Years Ended December 31, 2023 and 2022**

### **NOTE E - PROFIT SHARING PLAN**

The Organization has a SIMPLE IRA plan for its employees. The Organization matches employee eligible contributions up to 2% of annual compensation. Contributions to the plan were \$-0- for the years ended December 31, 2023 and 2022.