

The Orthodox Christian Mission Center, Inc.

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

Years Ended June 30, 2023 and 2022

The Orthodox Christian Mission Center, Inc.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Orthodox Christian Mission Center, Inc.
St. Augustine, Florida

Opinion

We have audited the accompanying financial statements of Orthodox Christian Mission Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 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 Christian Mission Center, Inc. as of June 30, 2023, 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. 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 Orthodox Christian Mission Center, Inc. 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 Christian Mission Center, Inc.'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, 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 Christian Mission Center, Inc.'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 Orthodox Christian Mission Center, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Orthodox Christian Mission Center, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated November 4, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of revenues, support and expenses for the year ended June 30, 2023 is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in blue ink that reads "The Forde Firm, LLC". The signature is written in a cursive, flowing style.

The Forde Firm, LLC
Jacksonville, Florida
November 13, 2023

The Orthodox Christian Mission Center, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2023

With Summarized Comparative Financial Information for June 30, 2022

	June 30, 2023			For Comparative Purposes Only 2022
	Without Donor Restrictions	With Donor Restrictions	Total	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,208,008	\$ -	\$ 1,208,008	\$ 849,584
Accounts receivable	6,923	-	6,923	(1,112)
Prepaid Expenses	56,782	-	56,782	55,986
	1,271,713	-	1,271,713	904,458
NONCURRENT ASSETS				
Investments	4,494,240	6,492,085	10,986,325	10,274,010
Leased right-of-use asset	14,274	-	14,274	-
Property and Equipment	3,464,362	-	3,464,362	3,545,446
	7,972,876	6,492,085	14,464,961	13,819,456
Total Noncurrent Assets	7,972,876	6,492,085	14,464,961	13,819,456
Total Assets	9,244,589	6,492,085	15,736,674	14,723,914

See Accompanying Notes to Financial Statements.

The Orthodox Christian Mission Center, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2023

With Summarized Comparative Financial Information for June 30, 2022

	June 30, 2023			For
	Without Donor Restrictions	With Donor Restrictions	Total	Comparative Purposes Only 2022
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable	\$ 1,041	\$ -	\$ 1,041	\$ 1,320
Lease liabilities, current	2,928	-	2,928	-
Accrued Expenses	493,392	-	493,392	614,715
Deferred revenue	173,859	-	173,859	160,700
	671,220	-	671,220	776,735
NONCURRENT LIABILITIES				
Lease liabilities, long-term	11,346	-	11,346	-
	11,346	-	11,346	-
	682,566	-	682,566	776,735
NET ASSETS				
	8,562,023	6,492,085	15,054,108	13,947,179
	9,244,589	6,492,085	15,736,674	14,723,914

See Accompanying Notes to Financial Statements.

The Orthodox Christian Mission Center, Inc.
Statement of Activities
For the Year Ended June 30, 2023
With Summarized Comparative Financial Information for June 30, 2022

	2023			For Comparative Purposes Only 2022
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUES:				
Contributions	\$ 2,122,140	\$ 2,805,328	\$ 4,927,468	\$ 5,525,561
Bequests	-	-	-	397,133
Investments, Net	583,114	192,681	775,795	(435,789)
Other revenues and support	366	-	366	16,331
Total Revenues and Support subtotal	2,705,620	2,998,009	5,703,629	5,503,236
Satisfaction of program restrictions	2,685,795	(2,685,795)	-	-
Total Revenues and Support	5,391,415	312,214	5,703,629	5,503,236
EXPENSES:				
Mission Programs	3,092,622	-	3,092,622	3,325,216
Management and general	584,246	-	584,246	516,032
Development	919,832	-	919,832	885,033
	<u>4,596,700</u>	<u>-</u>	<u>4,596,700</u>	<u>4,726,281</u>
Increase (Decrease) in Net Assets	794,715	312,214	1,106,929	776,955
Net Assets, Beginning of Year	<u>7,767,308</u>	<u>6,179,871</u>	<u>13,947,179</u>	<u>13,170,224</u>
Net Assets, End of Year	<u>\$ 8,562,023</u>	<u>\$ 6,492,085</u>	<u>\$ 15,054,108</u>	<u>\$ 13,947,179</u>

See Accompanying Notes to Financial Statements.

The Orthodox Christian Mission Center, Inc.

Statement of Cash Flows

For the Year Ended June 30, 2023

With Summarized Comparative Financial Information for June 30, 2022

	2023			For Comparative Purposes Only 2022
	Without Donor Restrictions	With Donor Restrictions	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ 794,715	\$ 312,214	\$ 1,106,929	\$ 776,955
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:				
Depreciation	84,089	-	84,089	84,640
Net realized and unrealized investment (gains) losses	(318,664)	(225,869)	(544,533)	(773,953)
Changes in Operating Assets and Liabilities:				
(Increase) decrease in accounts receivable	(8,035)	-	(8,035)	6,912
(Increase) decrease in pledges receivable	-	-	-	4,851
(Increase) decrease in prepaid expenses	(796)	-	(796)	(7,073)
Increase (decrease) in accounts payable	(279)	-	(279)	1,320
Increase (decrease) in accrued expenses	(121,323)	-	(121,323)	104,178
Increase (decrease) in deferred revenue	13,159	-	13,159	(46,575)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	442,866	86,345	529,211	151,255
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment sales	66,849	152,892	219,741	1,346,502
Investment purchases	(148,286)	(239,237)	(387,523)	(1,697,259)
Investment in property and equipment	(3,005)	-	(3,005)	(11,696)
NET CASH USED BY INVESTING ACTIVITIES	(84,442)	(86,345)	(170,787)	(362,453)
CASH FLOWS FROM FINANCING ACTIVITIES				
Paycheck protection program loan	-	-	-	(253,283)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	-	-	-	(253,283)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	358,424	-	358,424	(464,481)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	849,584	-	849,584	1,314,065
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,208,008	\$ -	\$ 1,208,008	\$ 849,584
SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION				
Interest expense paid	\$ -			\$ -
Income taxes paid	\$ -			\$ -

See Accompanying Notes to Financial Statements.

The Orthodox Christian Mission Center, Inc.

Statement of Functional Expenses

For the Year Ended June 30, 2023

With Summarized Comparative Financial Information for June 30, 2022

	2023			For Comparative Purposes Only 2022	
	Program Services	Management and General	Development		Total
Salaries, taxes, and benefits	\$1,188,213	\$ 417,072	\$ 520,574	\$2,125,859	\$2,500,734
Grants and projects	1,524,324	-	24,513	1,548,837	1,395,765
Conferences	-	2,519	-	2,519	2,206
Consulting	6,983	5,712	6,968	19,663	8,616
Computer expenses	53,584	24,469	28,698	106,751	100,681
Training and Education	36,038	28	17	36,083	38,791
Insurance	43,839	14,620	6,524	64,983	55,791
Maintenance	35,359	8,561	5,291	49,211	38,320
Utilities	9,036	2,856	1,352	13,244	12,702
Office Expense	7,181	2,782	3,244	13,207	10,885
Postage and shipping	1,638	8,586	29,340	39,564	47,071
Printing	8,932	5,592	148,344	162,868	128,228
Telephone	5,918	2,410	3,621	11,949	12,195
Travel	84,305	13,620	75,013	172,938	150,608
Depreciation	61,027	13,929	9,133	84,089	84,640
Other	26,245	61,490	57,200	144,935	139,048
 Total Expenses	 \$3,092,622	 \$ 584,246	 \$ 919,832	 \$4,596,700	 \$4,726,281

See Accompanying Notes to Financial Statements.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

1. ORGANIZATION:

Nature of Organization

The Orthodox Christian Mission Center, Inc. (the OCMC, or the Center) is a nonprofit corporation organized under the laws of the State of Florida in 1992. The OCMC is the official missions and evangelism agency of The Assembly of Canonical Orthodox Bishops of North and Central America (formerly known as the Episcopal Assembly of North and Central America and the Standing Conference of Canonical Orthodox-Bishops in the Americas). The Assembly of Canonical Orthodox Bishops of North and Central America (Assembly) is the parent organization of the OCMC. The members of the corporation shall be those persons who, from time to time, shall be members of the Board of Directors of the Corporation in accordance with the terms and provisions of Article VIII of the Articles of Incorporation.

Nature of Business

Our mission, as the official missions agency of the Assembly of Canonical Orthodox Bishops of the United States, is to make disciples of all nations by bringing people to Christ and His Church. Our vision is that all people may come to know the saving love of our Lord: Father, Son and Holy Spirit. We value proclaiming and witnessing Christ to all people with priority given to those who have never heard or accepted the Gospel. We value sharing the love of Christ for the care of the total person, spiritual and physical. We value ministry in the language and culture of the people. We value our people – well-trained missionaries, staff, board, supporters, and indigenous leadership and those being served. We value communities, parishes, and individuals that are mission-minded and have active mission involvement. We value being an open and transparent agency that values the gifts of stewardship provided to us by the faithful.

OCMC's mission is accomplished with the following programs:

Long-Term Missionaries

OCMC sends missionaries to proclaim the fullness of the Orthodox faith and to participate in sharing the Holy Gospel, teaching, and helping to establish and develop local churches. Their unique skills, experience, and gifts serve the receiving Church under its hierarchy.

From having no long-term mission workers at OCMC's founding in 1985, as of June 30, 2023, they have 24 vocational missionaries serving in the field.

We have established a legacy and tradition of missionary service. In fact, one of our long-term missionary couples is the son and daughter-in-law of our second long-term missionaries Fr. Martin and Renee Ritsi.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

Support a Mission Priest (SAMP)

Support a Mission Priest (SAMP) is a development program of the Orthodox Christian Mission Center that offers monthly financial assistance to indigenous priests in extremely poor areas around the world. Through SAMP donations, the priest is able to apply himself more fully to the needs of the parish, and hierarchs are able to ordain more clergy to meet the growing needs of their flock.

Individuals or groups pledge to give \$600 annually to support a priest or deacon. Partial-year donations are gratefully appreciated as well.

Currently, the SAMP program supports 646 mission priests in Benin (6), Cameroon (17), Chad (1), Democratic Republic of the Congo (126), Ethiopia (1), Ghana (17), Guinea (1), Cote d'Ivoire (3), India (10), Indonesia (7), Kenya (216), Malawi (26), Madagascar (31), Mozambique (2), Nigeria (13), Senegal (1), Sierra Leone (12), South Africa (3), Tanzania (77), Togo (2), Uganda (63), Zambia (5), and Zimbabwe (6).

Theological Education

Training local leadership and clergy are essential as a means to reach people and grow the Church. For example, in the Turkana region of Kenya, there is an amazing openness to the gospel in villages that have no church. Each of the clergy is already responsible for two to four communities.

Annually, OCMC supports theological school and seminaries in mission countries that train future clergy and lay leaders, both men and women. In some countries, however, there are no Orthodox seminaries. In these places, grants may be offered for correspondence programs. Sometimes, studies at seminaries here in the United States are sponsored. One further way that local clergy are strengthened has been to sponsor higher education at local universities.

Through these methods, the local leadership that is needed to reach the people, spread the Gospel, and lead the Church, is strengthened.

Mission Projects

Orthodox communities, organizations, and individuals support mission projects that meet physical and spiritual needs and help strengthen local churches around the world. These funds provide grants for specific mission projects, including the establishment and support of philanthropic ministries and the construction of churches, water wells, and housing, to name just a few activities.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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.

Basis of Presentation

The financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Center and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. The board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Comparative Financial Statements

The financial statements include certain prior-year summarized and comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2022, from which the summarized financial information was derived.

Investments

Investments in marketable equity securities with readily determinable fair values are presented in the statement of financial position at their fair market value.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

Cash

For purposes of reporting total cash in the statement of financial position cash includes operating accounts and interest-bearing accounts, all of which are available for immediate withdrawal.

AmerisBank operating	\$ 1,203,563
AmerisBank travel cash	<u>4,444</u>
Cash in banks	1,208,007
Petty cash	<u>-0-</u>
Total Cash	<u>\$ 1,208,007</u>

Revenue and Support With and Without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Donated Services

Donated professional services are recognized if the services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In addition, the Center receives a significant amount of unskilled, donated time, which does not meet the recognition criteria described above. Accordingly, the value of this donated time has not been determined and is not reflected in the accompanying financial statements.

Donated Property

Gifts of land, buildings, and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support.

Furniture, Fixtures and Equipment

Furniture, fixtures, and equipment are recorded at cost. Donated furniture, fixtures and equipment are recorded at fair market value.

The Center follows the practice of capitalizing all expenditures for furniture, fixtures and equipment in excess of \$500. Depreciation is computed on the straight-line method over the estimated economic useful lives of five to ten years.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

Land and Buildings

Land and buildings are recorded at cost. Expenditures for building additions and/or improvements in excess of \$ 2,000 are capitalized.

Depreciation

The Center records depreciation under the straight-line and other accelerated methods. The following lives are generally used:

Buildings and improvements	5 - 39 years
Improvements	5 - 39 years
Computer equipment	3 - 5 years
Furniture and fixtures	5 - 7 years
Other assets	3 - 5 years

Impaired Assets

The Center annually reviews the status of property and equipment held by the Center for any changes or circumstances that might indicate that there has been an impairment of those assets. Any such impairment would result in a permanent reduction in the recorded value of the asset.

Pledges Receivable and Related Allowance for Uncollectible Pledges

Unconditional promises to give are recognized as revenues or gains in the period received. Pledges receivable are stated at unpaid balances, less an allowance for doubtful collections, and further reduced to reflect the loss of purchasing power connected with the extended time until collection. The Center provides for losses on pledges using the allowance method. The allowance is based on experience and other circumstances. It is the Center's policy to charge off uncollectible pledges receivable when management determines the receivable is no longer valid. Details for this calculation are presented in Note 5.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Interdepartmental Transactions

Interdepartmental revenue and expense have been eliminated from the financial statements. Readers may see this application by reading the supplemental schedule following the notes to the financial statements.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

Tax Status

The Center is exempt from income taxes under 501(c)(3) of the US Internal Revenue Code; accordingly, no provision for income taxes has been made in the accompanying financial statements. The Center accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. Tax positions of the Center include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, the Center has determined that such tax positions do not result in an uncertainty requiring recognition.

Current tax laws generally permit examination during the three (3) year period following the close of the tax year for income tax returns thus making 2020, 2021, 2022 and the current 2023 year within such a limit.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Cost which can be identified with a particular program will be allocated to directly to that program. Management salaries and other indirect cost are generally allocated based upon time spent on each activity.

Changes in Accounting Treatment

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2019-01, Leases (Topic 842): Codification Improvements. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the balance sheet.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

3. PROPERTY AND EQUIPMENT

The estimated useful lives and carrying value of land, buildings and equipment are as follows:

<u>Description</u>	<u>Cost</u>
Land and improvements	\$ 1,539,580
Building	3,119,017
Furniture and equipment	138,693
Computer equipment	42,485
Non-depreciable assets	<u>2,000</u>
	4,841,775
Less accumulated depreciation	<u>(1,377,413)</u>
Net Property and Equipment	<u>\$ 3,464,362</u>

Depreciation expense for the year ended June 30, 2023 was \$ 84,089.

4. INVESTMENTS

Investments in debt and equity securities have readily determinable market values and are stated at fair value in the statements of financial position. Increases and decreases in fair values are included in the statements of activities. All fair value measures are level 1 inputs (see Note 13 for further explanation) as defined by Financial Accounting Standards Board (FASB) in its Accounting Standards Codification 820. As of June 30, 2023, investments consisted of:

	<u>Market</u>	<u>Cost</u>	<u>Unrealized Gain(loss)</u>
Cash	\$ 406,277	\$ 406,277	\$ -0-
Cash Alternatives	6,157,987	6,124,357	33,630
Equities	1,631,270	1,392,949	238,321
Other	<u>2,790,791</u>	<u>2,675,293</u>	<u>115,498</u>
	<u>\$ 10,986,325</u>	<u>\$ 10,598,876</u>	<u>\$ 387,449</u>

Short-term investments consist primarily of individual equities that have been donated, without donor restrictions, to the Center. The Center's policy is to sell these equities as soon as practical and transfer the funds to the operating account. Thus, they are considered to be short-term investments. The total fair value of investments of \$10,986,325 is presented on the statement of financial position as short-term investments of \$-0- and noncurrent investments of \$10,986,325.

The money market funds and cash balances with the investment accounts are not intended to be used in the current period since the majority of these funds are restricted in use (see note 14). Thus, they are considered part of long-term investments.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

Changes in investment accounts consist of the following:

	<u>Mission</u>
Investments, June 30, 2022	<u>\$ 10,274,010</u>
Contributions deposited	387,522
Transfers in	-0-
Transfers out	(460,140)
Interest and dividends earned	256,605
Realized and unrealized gains and (losses)	544,533
Investment fees charged	<u>(16,205)</u>
Subtotal, change in investments	<u>712,315</u>
Investments, June 30, 2023	<u>\$ 10,986,325</u>

5. PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give. All were collected as of June 30, 2022.

6. RETIREMENT PLAN

The Center sponsors a 403(b) plan for employees. Participation is open to all employees. The participants may contribute Section 403(b) elective deferrals up to the federally mandated limits. Annual contributions are limited by the Internal Revenue Code, which may be changed from time to time. The Center does not match or make any other form of discretionary contribution to the 403(b) plan. Presently, three employees are participating.

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions represent accumulated contributions held for donor specified purposes. Net assets with donor restrictions are available for the following at June 30, 2023:

Operations	\$ 2,931,493
Missionary accounts	2,220,669
Mission teams	75,261
Support a Mission Priest program	412,985
Agape grants	53,841
Theological Training program	234,921
Miscellaneous mission projects	<u>562,915</u>
	<u>\$ 6,492,085</u>

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

8. CONCENTRATIONS AND CREDIT RISKS

The Center maintains bank accounts with institutions insured by the Federal Deposit Insurance Corporation (FDIC). This FDIC insurance is limited to \$250,000 per depositor. Such excesses are considered a contingent risk under generally accepted accounting principles. The amount exceeding the FDIC insured level at June 30, 2023 was \$978,877.

The Center's total investments of \$10,986,325 at June 30, 2023 are held in seventeen (17) separate investment broker accounts. Thirteen (13) of these accounts are invested in the same three (3) mutual funds. The balance in the three mutual funds total \$2,790,791. The first of these funds (First Eagle Global Funds I, (SGIIX)) holds a total of \$914,494 which represents 8.4% of the total investment balance. The second fund (Blackrock Global Allocation Fund, Inc., Institutional, (MALOX)) holds \$917,313 or 8.3% of the total investment balance. The remaining fund (FPA Crescent Fund, (FPACX)) holds \$955,984 which represents 8.7%. The Center has a balance in one equity fund (SPDR S&P 500 ETF TR) of \$1,631,270 which represents 14.8% of the total investment balance.

The Center believes each of these mutual funds have sufficiently diversified investment portfolios that mitigate the risk normally associated with such concentrations.

\$3,565,503 is invested in UBS bank USA which is a short-term money market fund. Two (2) funds are invested in an UBS Core Savings Account valued at \$2,720,567 or 24.8% of the total investment portfolio. The balances in the UBS bank accounts are subject to the FDIC insurance limit of \$250,000.

9. CONTRIBUTIONS IN-KIND

Contributions in-kind consist of discounts on postage and on various fund raising and banquet items.

10. LEASES

The Center leases office equipment under an operating lease which expires in December 2027. Lease expense for the year ended June 30, 2023 was \$3,692.

As disclosed in Note 2, the Organization adopted FASB ASC 842. The lease is only required to be included on the balance sheet under FASB ASC 842. Because this lease is an operating lease, the adoption of this standard has no impact on our results of operations.

As of June 30, 2023, the right-of-use (ROU) asset had a net balance of \$14,274, as shown in other assets on the balance sheet; the lease liability is included in current liabilities (\$2,928) and long-term liabilities (\$11,346). The lease asset and liability were calculated utilizing the risk-free discount rate (4.50%), according to the Company's elected policy.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

The Center entered into office equipment lease agreements with terms in excess of one year.. Future minimum lease payments are as follows:

Year Ending June 30:	
2024	\$ 3,510
2025	3,510
2026	3,510
2027	3,510
2028	<u>1,755</u>
Total Lease Payments	15,795
Less Discount to Present Value	<u>1,521</u>
Present value of lease liabilities	<u>\$ 14,274</u>

11. SUBSEQUENT EVENTS

In preparing these financial statements, the Center evaluated events and transactions for potential recognition or disclosure through November 13, 2023, the date the financial statements were available to be issued.

12. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable consist of amounts due to vendors and missionaries. Accrued expenses consist of the following:

Accrued employee benefits	\$ 110,197
Missionary funds for resettlement	<u>383,195</u>
	<u>\$ 493,392</u>

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Accounting Standards Board ASC 820-10, "Fair Value Measurements" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

ASC 820-10 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs are inputs that reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted 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 are based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

Level 3 – Valuations are based on inputs that are unobservable and significant to the overall fair value measurement and must therefore be determined by discounted cash flows or other recognized valuation processes.

Level 1 Fair Value Measurements

The carrying value of cash, cash equivalents, accounts receivable, prepaid expenses, cash value life insurance, accounts payable and accrued expenses are considered as representing fair market value based upon their short-term nature or surrender value. Investments are also considered as level 1 because all securities held are widely traded.

Level 2 Fair Value Measurements

The Center has no assets that would require being valued as level 2 inputs.

Level 3 Fair Value Measurements

The Center has no assets that would require being valued as level 3 inputs.

14. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Center is at least partly funded by contributions from donors that impose restrictions. Those restrictions may require that the resources be used in a certain manner or in a future period. Therefore, the Center must maintain adequate resources to meet those responsibilities to its donors and certain financial assets may not be available for general expenditures within one year. As part of its liquidity management, the Center has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

The Orthodox Christian Mission Center, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

-Continued-

The below reflects the Center's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to donor-imposed restriction or other reasons within one year of the statement of financial position date:

Financial assets at June 30, 2023	\$ 12,201,256
Less those unavailable for general expenditures within one year due to:	
Donor imposed restrictions for:	
Operations	(2,931,493)
Missionary accounts	(2,220,669)
Mission teams	(75,261)
Support a Mission Priest program	(412,985)
Agape grants	(53,841)
Theological Training program	(234,921)
Miscellaneous mission projects	<u>(562,915)</u>
Total financial assets unavailable within one year	<u>(6,492,085)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,709,171</u>

The Board of Trustees and management have adopted a program such that an amount above six months of operating reserve is to be set aside and invested in a separate investment account to be used in the future only through approval of the Board of Trustees. Future investments or withdrawals are to be made from the surplus operating reserve above six months determined at the close of books at the end of each fiscal year and will be approved during the budget process. As of June 30, 2023, the amount in this investment totaled \$1,226,305 and is included in the \$5,709,171 amount noted above.

SUPPLEMENTAL SCHEDULE

The Orthodox Christian Mission Center, Inc.
Supplemental Schedule of Revenues, Support and Expenses
For the Year Ended June 30, 2023
With Summarized Comparative Financial Information for June 30, 2022

	2023				For Comparative Purposes Only 2022
	Without Donor Restrictions	With Donor Restrictions	Interfund Elimination	Total	
Revenues and support					
Contributions	\$ 2,218,059	\$ 2,805,328	\$ (95,919)	\$ 4,927,468	\$ 5,525,561
Bequests	-	-	-	-	397,133
Net investment income (loss)	583,114	192,681	-	775,795	(435,789)
Other revenues and support	98,488	-	(98,122)	366	16,331
Total revenues and support subtotal	<u>2,899,661</u>	<u>2,998,009</u>	<u>(194,041)</u>	<u>5,703,629</u>	<u>5,503,236</u>
Net assets released from restrictions	2,685,795	(2,685,795)	-	-	-
Total revenues and support	<u>\$ 5,585,456</u>	<u>\$ 312,214</u>	<u>\$ (194,041)</u>	<u>\$ 5,703,629</u>	<u>\$ 5,503,236</u>

	Program Services	Management and General	Development	Interfund Elimination	Totals	Totals
	Expenses					
Salaries, taxes, and benefits	\$ 1,188,213	\$ 417,072	\$ 520,574	\$ -	\$ 2,125,859	\$ 2,500,734
Grants and projects	1,718,365	-	24,513	(194,041)	1,548,837	1,395,765
Conferences	-	2,519	-	-	2,519	2,206
Consulting	6,983	5,712	6,968	-	19,663	8,616
Computer expenses	53,584	24,469	28,698	-	106,751	100,681
Training and Education	36,038	28	17	-	36,083	38,791
Insurance	43,839	14,620	6,524	-	64,983	55,791
Maintenance	35,359	8,561	5,291	-	49,211	38,320
Utilities	9,036	2,856	1,352	-	13,244	12,702
Office Expense	7,181	2,782	3,244	-	13,207	10,885
Postage and shipping	1,638	8,586	29,340	-	39,564	47,071
Printing	8,932	5,592	148,344	-	162,868	128,228
Telephone	5,918	2,410	3,621	-	11,949	12,195
Travel	84,305	13,620	75,013	-	172,938	150,608
Depreciation	61,027	13,929	9,133	-	84,089	84,640
Other	26,245	61,490	57,200	-	144,935	139,048
Total Expenses	<u>\$ 3,286,663</u>	<u>\$ 584,246</u>	<u>\$ 919,832</u>	<u>\$ (194,041)</u>	<u>\$ 4,596,700</u>	<u>\$ 4,726,281</u>
Excess (deficit) of revenues and support over expenses					<u>\$ 1,106,929</u>	<u>\$ 776,955</u>