

SUPPORT OUR AGING RELIGIOUS, INC. (SOAR !)

**FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT AUDITORS
FOR THE YEAR ENDED JUNE 30, 2023**



TABLE OF CONTENTS

	PAGE
Independent auditor's report.....	1-2
Financial statements:	
Statement of financial position.....	3
Statement of activities.....	4
Statement of functional expenses.....	5
Statement of cash flows.....	6
Notes to financial statements.....	7-10



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Support Our Aging Religious, Inc.

Opinion

We have audited the accompanying financial statements of Support Our Aging Religious, Inc. (SOAR!) (a nonprofit organization), which are comprised of the statements of financial position as of June 30, 2023; 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 SOAR! as of June 30, 2023, 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 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 Financial Statements section of our report. We are required to be independent of SOAR!, and to meet our 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

INDEPENDENT AUDITOR'S REPORT

Support Our Aging Religious, Inc.

Auditor's Responsibility

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 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the 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 organization'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 the organization'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.



Bowie, Maryland
October 10, 2023

SUPPORT OUR AGING RELIGIOUS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 697,225
Investments	7,086,821
Accounts receivable	-
Prepaid expenses	<u>355</u>

Total current assets 7,784,401

Non current assets

Security deposit	25,000
Furniture and equipment	72,533
less: accumulated depreciation	(<u>31,618</u>)

Total non current assets 65,915

Total assets \$7,850,316

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued expenses	\$ <u>29,106</u>
---------------------------------------	------------------

Total current liabilities 29,106

Net assets

Without donor restrictions	
Undesignated	3,400,199
Endowment Fund	<u>2,162,164</u>
	5,562,363

With donor restrictions 2,258,847

Total net assets 7,821,210

Total liabilities and net assets \$7,850,316

SUPPORT OUR AGING RELIGIOUS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	\$2,092,699	\$ 1,000,000	\$3,092,699
Foundation grants	1,232,145		1,232,145
Combined federal campaign	31,698		31,698
Bequests	479,198		479,198
Event income	530,510		530,510
List rental	7,140		7,140
Unrealized gain on investments	483,443		483,443
Interest	296		296
Net assets released from restrictions	<u>2,264,775</u>	<u>(2,264,775)</u>	<u>—</u>
Total revenue and support	<u>7,121,904</u>	<u>(1,264,775)</u>	<u>5,857,129</u>
Expenses			
Program services	5,577,640		5,577,640
Supporting services			
Management and general	103,034		103,034
Fundraising	<u>186,884</u>	<u>—</u>	<u>186,884</u>
Total supporting services	<u>289,918</u>	<u>—</u>	<u>289,918</u>
Total expenses	<u>5,867,558</u>	<u>—</u>	<u>5,867,558</u>
Change in net assets	1,254,346	(1,264,775)	(10,429)
Net assets at beginning of year	<u>4,308,017</u>	<u>3,523,622</u>	<u>7,831,639</u>
Net assets at end of year	<u>\$5,562,363</u>	<u>\$2,258,847</u>	<u>\$7,821,210</u>

- SEE ACCOUNTANT'S NOTES -

SUPPORT OUR AGING RELIGIOUS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Total	Program services	Management and general	Fundraising
Salaries	\$ 563,931	\$ 504,718	\$ 36,656	\$ 22,557
Payroll taxes	22,481	20,121	1,461	899
Employee benefits	82,269	73,631	5,347	3,291
Advertising	43,375	43,375	-	-
Bank charges	29,170	26,107	1,896	1,167
Congregation grants	3,502,132	3,502,132	-	-
Contracted services	45,630	37,409	-	8,221
Conferences	12,123	12,123	-	-
Depreciation	8,944	-	8,944	-
Dues and subscriptions	3,653	3,270	237	146
Equipment	11,553	10,340	751	462
Event facilities and catering	127,938	95,953	-	31,985
Information technology	53,054	47,483	3,449	2,122
Insurance	4,582	4,101	298	183
Legal and professional	334,296	321,429	12,867	-
List rental	83,120	81,795	1,325	-
Merchant card fees	17,467	15,633	1,135	699
Occupancy	96,710	86,556	6,286	3,868
Office supplies	5,495	4,918	357	220
Postage	239,437	191,550	7,183	40,704
Printing	404,033	323,226	12,121	68,686
Regional representatives	128,917	128,917	-	-
Staff training	5,402	5,402	-	-
Telephone	10,730	9,604	697	429
Travel	31,116	27,847	2,024	1,245
Totals	\$ 5,867,558	\$ 5,577,640	\$ 103,034	\$ 186,884

- SEE ACCOUNTANT'S NOTES -

SUPPORT OUR AGING RELIGIOUS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023

Cash flows from operating activities

Change in net assets \$(10,429)

Adjustments to reconcile change in net assets to
net cash provided by (used in) operating activities:

Decrease in prepaid expense 2,602

Depreciation 8,944

Decrease in pledges receivable 1,000,000

Decrease in accounts receivable 169,752

Increase in accounts payable
and accrued expenses 1,302

Total adjustments 1,182,600

Net cash provided by operating activities 1,172,171

Cash flows from investing activities

Increase in long-term investments (819,730)

Purchase of furniture and equipment (25,322)

Net cash used by investing activities (845,052)

Net increase in cash and cash equivalents 327,119

Cash and cash equivalents, beginning of year 370,106

Cash and cash equivalents, end of year \$ 697,225

SUPPORT OUR AGING RELIGIOUS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1. - General information and summary of significant accounting policies

General information

Support Our Aging Religious, Inc. (SOAR!), an initiative of concerned Catholic laity established in 1986, is a national organization of persons who are committed to assuring financially stable and personally secure futures for elderly and frail members of Catholic Religious congregations in the United States of America, augmenting the efforts of the institutional Church. Pursuant to that mission, SOAR! is committed to raising public awareness of the retirement crisis facing men and women religious and in networking concerned laity.

Summary of significant accounting policies

Basis of accounting

SOAR!'s financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and cash equivalents

Cash on hand, deposits in banks, and highly liquid investments with original maturities of three months or less are considered cash and cash equivalents for purposes of these financial statements.

Investments

Investments are carried at fair market value, and realized and unrealized gains and losses are reported in the statement of activities. SOAR!'s investments primarily consist of mutual funds.

Property and equipment

Property and equipment are recorded at cost. Depreciation is recognized over the related assets' estimated useful lives, using the straight-line method. Repairs and maintenance are charged to expense as incurred.

SUPPORT OUR AGING RELIGIOUS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Net assets

For financial statement purposes, net assets are classified as follows:

Without donor restrictions

Represents the portion of net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation.

With donor restrictions

Represents the portion of net assets whose use by SOAR! has been restricted by donors with specified time or purpose limitations.

As of June 30, 2023 net assets with donor restrictions represented contributions of \$3,523,622 of which \$67,000 is intended to assist in providing an annual grant in the name of Father Victor Yanitelli, and are to be held in perpetuity with the intention that only the related appreciation may provide the support for program activities as identified by the donor.

Revenue recognition

Revenue is recognized during the period in which it is earned. Contributions are recognized in accordance with the provisions of Financial Accounting Standards Board Statement No. 116.

Expenses

Expenses are recognized by SOAR! during the period in which they are incurred. Expenses paid in advance and not yet incurred are deferred to the applicable period.

Functional allocation of expenses

The costs of SOAR!'s various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, supporting general and administrative costs have been allocated among the programs and supporting services benefitted.

Subsequent events

Subsequent events have been considered through October 10, 2023.

SUPPORT OUR AGING RELIGIOUS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

New accounting principle

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-14, Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14). SOAR! adopted the provisions of ASU 2016-14 during the year ended June 30, 2019. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and the availability of resources and schedule of functional expenses.

Liquidity

Support Our Aging Religious, Inc. invests cash balances in excess of immediate liquidity needs in accordance with its investment policy. The following provides a summary of financial assets available for general expenditures at June 30, 2023:

Cash and cash equivalents	\$ 697,225
Investments	<u>7,086,821</u>
Subtotal financial assets	7,784,046
Amounts not available within one year	
Net assets with donor restrictions	<u>(2,258,847)</u>
Financial assets available to meet cash needs for general expenditures within on year	\$ <u>5,525,199</u>

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 certain reported amounts and disclosures. Actual results could differ from estimates.

Income tax status

SOAR! is exempt from federal income taxes on income other than unrelated business income under Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the District of Columbia. SOAR! had no unrelated business income during the year ended June 30, 2023.

SUPPORT OUR AGING RELIGIOUS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Income tax status (continued)

In addition, as SOAR!, and among other conditions as required by the IRC, is covered by an exemption letter issued to the United States Conference of Catholic Bishops and appears in the 2011 Official Catholic Directory, management believes that it has complied with the requirements which exempt SOAR! from annual reporting of Form 990, Return of Organization Exempt from Income Tax.

Note 2. - Pension plan

SOAR! provides a tax-qualified employee benefit plan covering substantially all of its employees subject to certain eligibility requirements pursuant to Section 403(b)(7) of the Internal Revenue Code(IRC). SOAR! contributions to the plan are provided in accordance with contribution percentages based upon compensation of eligible employees and years of service and range from 2 percent through 10 percent of compensation. For the year ended June 30, 2023, pension expense was \$27,740.