
**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Tang & Lee, LLP

Certified Public Accountants

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
FOR THE YEAR ENDED JUNE 30, 2024**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Russian American Community Services
Association of San Francisco, Inc.
San Francisco, California

Opinion

We have audited the accompanying financial statements of the **Russian American Community Services Association of San Francisco, Inc. (RACS), a nonprofit organization**, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in its 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 the Russian American Community Services Association of San Francisco, Inc. (RACS) as of June 30, 2024, and the statement of activities and changes in its net assets, its functional expenses, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RACS and 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.

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 RACS 's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 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 RACS '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 RACS '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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The **St Olga's Home (part of the RACS organization)** is presented for purposes of additional analysis and requires a separate 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.

Tang & Lee, LLP

Burlingame, California
December 19, 2024

RUSSIAN AMERICAN COMMUNITY SERVICES

ASSOCIATION OF SAN FRANCISCO, INC.

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2024

ASSETS

	<u>Total 2024</u>
Current Assets	
Cash and cash equivalents	\$ 239,330
Investments	1,425,760
Grants receivable	58,960
Prepaid expenses	37,257
Total current assets	<u>1,761,308</u>
Noncurrent Assets	
Property and equipment-net	<u>589,815</u>
Total noncurrent assets	<u>589,815</u>
Total assets	<u><u>\$ 2,351,123</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accrued payroll liabilities	\$ 31,445
Other accrued liabilities	1,464
Total current liabilities	<u>32,909</u>
Notes payable including interest	<u>1,710,425</u>
Total liabilities	<u><u>1,743,334</u></u>
Net Assets	
Without donor restrictions	<u>607,788</u>
Total net assets	<u>607,788</u>
Total liabilities and net assets	<u><u>\$ 2,351,123</u></u>

The accompanying notes are an integral part of these financial statements.

RUSSIAN AMERICAN COMMUNITY SERVICES

ASSOCIATION OF SAN FRANCISCO, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	Total 2024
Operating	
Revenues and Support	
Government grants	\$ 1,176,470
Project income	208,637
Donations	59,530
Refunds and credits	329
Total revenues and support	<u>1,444,965</u>
Expenses	
Program Services	
San Francisco meals and community services	1,290,778
St. Olga's board and care	112,556
Total program services expenses	<u>1,403,334</u>
Supporting Services	
Management and general	59,383
Development	7,200
Total supporting services expenses	<u>66,583</u>
Total expenses	<u>1,469,917</u>
Increase (decrease) in net assets from operating activities	(24,952)
Nonoperating	
Other Revenue and (Expenses)	
Unrealized gain or (loss) on investments	253,144
Realized gain or (loss) on investments	(3,343)
Dividend and interest income	20,470
Total other revenue and (expenses)	<u>270,271</u>
Increase (decrease) in net assets from nonoperating activities	<u>270,271</u>
CHANGES IN NET ASSETS	245,319
Net assets - Beginning of the year	<u>362,469</u>
Net assets - Ending of the year	<u><u>\$ 607,788</u></u>

The accompanying notes are an integral part of these financial statements.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Program Services</u>		<u>Total</u>	<u>Supporting Services</u>		<u>Total</u>	<u>2024</u>
	<u>San Francisco Meals and Community Services</u>	<u>St. Olga Board and Care</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Development</u>	<u>Supporting Services</u>	<u>Total Expenses</u>
Expenses:							
Salaries	\$ 710,285	\$ 6,000	\$ 716,285	\$ 8,401	\$ -	\$ 8,401	\$ 724,686
Payroll taxes, and benefits	123,102	1,053	124,155	1,271	-	1,271	125,426
Food & food supplies	295,221	-	295,221	120	-	120	295,341
Auto operation	46,939	-	46,939	1,058	-	1,058	47,997
Depreciation and amortization	36,019	21,446	57,465	-	-	-	57,465
Legal, accounting, and contractual	8,025	-	8,025	31,942	7,200	39,142	47,167
Building maintenance & repairs	20,081	36,895	56,976	3,641	-	3,641	60,617
Other operating, office expenses	5,265	379	5,644	4,086	-	4,086	9,730
Interest expense	-	30,318	30,318	-	-	-	30,318
Insurance	12,728	1,613	14,341	2,029	-	2,029	16,370
Activities	2,995	729	3,724	178	-	178	3,902
Utilities	30,118	14,123	44,241	6,657	-	6,657	50,898
Total	\$ 1,290,778	\$ 112,556	\$ 1,403,334	\$ 59,383	\$ 7,200	\$ 66,583	\$1,469,917

The accompanying notes are integral part of the financial statements.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024
Cash flows from operating activities:	
Increase (decrease) in net assets	\$ 245,319
Adjustments to reconcile the increase (decrease) in net assets	
Net cash provided by operating activities:	
Depreciation	57,465
Realized loss (gain) on investments	3,343
Unrealized loss (gain) on investments	(253,144)
(Increase) decrease in operating assets:	
Grants receivable	44,956
Other receivable	680
Prepaid expenses	(27,392)
Increase (decrease) in operating liabilities	
Accrued liabilities	4,178
Accrued interest payable of notes	30,318
Net cash provided (used) by operating activities	105,724
Cash flow from investing activities:	
Purchase of property and equipment	(37,396)
Certificate of deposit	32,524
Investments	(18,488)
Net cash provided (used) by investing activities	(23,360)
Cash flow from financing activities:	
Net cash provided (used) by financing activities	-
Net increase (decrease) in cash	82,363
Cash balance - Beginning of year	156,967
Cash balance - Ending of year	\$ 239,330
Supplemental disclosures of cash flow information:	
Cash paid for interest during the year	\$ -

The accompanying notes are an integral part of these financial statements.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE A: Organization and Nature of Activities

Russian American Community Services Association of San Francisco, Inc. (RACS), is a nonprofit organization established in November 1977. RACS (the Organization) is dedicated to the purpose of providing direct services and advocacy for senior citizens of Russian heritage in San Francisco. The primary purpose of the Organization is to promote and carry out programs that contribute to the health, education, and welfare of isolated, needy, and elderly Russian Americans in the San Francisco Bay Area, including donating to not-for-profit organizations in furtherance of its mission.

The Organization's main program is serving senior lunches on-site and via home delivery as provided by the Older Americans Act. The senior meal program is supported by grants from the San Francisco Human Services Agency (HSA). The Organization also provides meal delivery and on-site meal services to disabled adults 18-59 years old in collaboration with HSA.

Other programs provided by RASC include:

- (1) St. Olga's Home in San Francisco, which provides low-income housing for ten individuals in single-room occupancy (SRO) units.
- (2) The Organization's Charities program offers counseling, recreation, historical lectures, and educational meetings and conferences to members of the Russian American Community. These activities are funded entirely through fundraising.
- (3) The Protection of the Most Holy Virgin Fund, a program that was established in 2007 to provide aid to churches, monasteries, orphanages, and persons in need in Russia and the Diaspora. This program has been suspended due to the current political situation until further notice.

NOTE B: Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with FASB ASC 958-605-20, *Accounting for Contributions Received*, and FACS ASC 958, *Financial Statements of Non-For-Profit Organizations*. In accordance with ASU 2016-14, net assets 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. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets are 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 or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction is expired, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. As of June 30, 2024, there are no restricted net assets.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE B: Summary of Significant Accounting Policies (Cont'd)

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

Revenue Recognition

RACS recognizes revenue when it is realized or realizable and earned. RACS considers revenue realized or realizable and earned when it is persuasive evidence of an arrangement, actions have occurred, the revenue is fixed or determinable, and collectability is reasonably certain.

Determining whether some or all of these criteria have been met involves assumptions and judgments that can have a significant impact on the timing and amount of revenue reported.

- a) Congregate Meals – Revenue from grants granted by the County and City of San Francisco. When the program takes place, or when the performance of the obligation is achieved, the revenue is recorded. The amount received is billed based on the number of meals provided.
- b) Community Services Program – Revenue received when the services or activities are provided. This program is partially funded by the Department of Disability and Aging Services of San Francisco. RACS will generate the billing invoice detail for the month and send it to the contract manager for billing approval.
- c) Rent and Supportive Services – This program primarily supports low-income people. This program provides single-room occupancy housing for seniors living in San Francisco and is also overseen by the California Housing Rehabilitation Program (CHRP). Revenue is recognized when the lease agreement with the tenant begins.

In-Kind Donations

Donations of property, equipment, and services are recorded as support at their estimated fair value on the date of donation. Unless the donor has restricted the donated asset to a specific purpose, such donations are reported as unrestricted support. Restricted support includes assets donated with explicit restrictions on their use as well as cash contributions that must be used to acquire property and equipment. Absent donor stipulations regarding how long those donated assets must be maintained, RACS reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. RACS reclassifies donor-restricted net assets to net assets without donor restrictions at that time.

Volunteers

RACS has received contributed services from many volunteers. RACS has not recorded these donated services in its financial statements in accordance with GAAP (generally accepted accounting principles).

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash and cash equivalents. Deposits of more than \$250,000 are not covered by Federal Deposit Insurance (FDIC). The combined balance in the Organization's bank accounts may at times exceed FDIC limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments

Investments are presented in the financial statements at fair market value. As of June 30, 2024, investments are comprised of equities and exchange-traded funds. To adjust the carrying value of investment, the change in fair market value is included as a component of investment income in the statement of activities.

Fair Value of Financial Instruments

The Organization's financial instruments include cash and cash equivalents, and investments in marketable securities. The carrying amounts of these items are reasonable estimates of their fair value.

Generally accepted accounting principles (GAAP) provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of inputs used with each level:

Level 1 inputs - Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 inputs - Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.

Level 3 inputs - Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discontinued cash flow models, and similar techniques, and not based on market exchange, dealer, or broker traded transactions.

The Organization's financial assets measured at fair value on a recurring basis on June 30, 2024, are classified within Level 1 of the fair value hierarchy.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.**
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Exchange traded funds	\$ 1,413,440	\$ -	\$ -	\$ 1,413,440
Equities	1	-	-	1
	1,413,441			
Cash and cash equivalents	12,319			
Total investments	\$ 1,425,760			

Property and Equipment

Property and equipment are stated at cost or at estimated fair market value at the time of purchase or donation. Building, capital improvements, and vehicles are depreciated using the straight-line method based on the assets' estimated useful lives. Repair and maintenance expenses are reported in the statement of activities; significant renewals and improvements, normally in excess of \$5,000, are capitalized. As of June 30, 2024, the total depreciation expense was \$57,465.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Buildings	40 years
Leasehold improvement	40 years
Machinery and equipment	3 years
Vehicles	5 years
Furniture and fixtures	5 years

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The functional expense statements present the nature and classification of expenses by function. Expenses that can be related to a specific program or support service are charged directly to their natural expenditure classification. Certain costs that are shared by several functions have been allocated among the programs and supporting services that have benefited. Management and general and development expenses include those that are not directly identifiable with any specific function but provide overall support and direction to the Organization.

Income Taxes

The organization is exempt from Federal income under Sections 501(c)(3) of the Internal Revenue Code and California Franchise taxes under 23701(d) of the Revenue and Taxation Code of California, respectively. The Financial Accounting Standards Board (FASB) FASB Interpretation No.48, *Accounting for Uncertainty in Income Taxes*, (Fin 48) which was subsequently included in the FASB Codification as ASC 740, prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management of the Organization has evaluated its uncertain tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. The organization's tax returns are subject to examination by Federal taxing

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

authorities for a period of three years from the date they are filed and a period of four for California taxing authorities.

NOTE C: Grants Receivable

The Organization receives funding through the Human Services Agency of the City and County of San Francisco. These agreements covered the units of meals provided for every month of qualifying costs incurred at the time or shortly thereafter. As of June 30, 2024, the total grants receivable were \$58,960.

NOTE D: Investments

Investments include cash and cash equivalents, equities, and exchange-traded funds. These investments are in two accounts of one major financial institution: Charles Schwab. RACS transferred all Morgan Stanley investments to Charles Schwab in March 2024. These two investments accounts are used for general operations. As of June 30, 2024, the total balance of investments was \$1,425,760.

NOTE E: Property and Equipment

Property and equipment consists of the following as of June 30, 2024:

	2024
Land	266,290
Building	282,710
Building improvement	820,710
Vehicles	129,699
Furniture & fixtures	17,060
Equipment	9,473
Construction in progress	29,262
	1,555,204
<i>Less accumulated depreciation and amortization</i>	<i>(965,389)</i>
<i>Total</i>	<i>589,815</i>

NOTE F: Accrued Payroll Liabilities

Employees of RACS are entitled to vacation compensation based on their duration of service and other factors. Employees can accrue vacation and use sick leave benefits, but sick leave benefits are not allowed to accrue or accumulate. As of June 30, 2024, the total accrued payroll liabilities were \$31,445.

NOTE G: Notes Payable

The Organization had three major loans incurred from the purchase and rehabilitation of the St. Olga's Home building on Collins Street since its inception. These loans were provided by the City and County of San Francisco as well as the State of California.

RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

- 1) On June 17, 1991, the Organization entered into a 50-year loan agreement with the San Francisco Mayor's Office of Housing for \$75,000 with no interest. The purpose of the loan is to increase housing stock in the City and County of San Francisco for low- and moderate-income individuals; the proceeds were used to purchase the St. Olga's Home on Collins Street and are secured by the Organization's Collins Street property. Per the terms of the agreement, the entire principal amount of the loan shall be forgiven at the end of the term if the Organization does not default on any of the terms of the loan, which states in essence that the Organization must provide low-income housing to the community in need. On June 30, 2024, no liability was recorded because the Organization was following the loan agreement. Compliance with the loan terms will be reviewed annually, and liability will be recorded if necessary.
- 2) On August 12, 1992, the Organization entered into a 40-year Loan Agreement with the City and County of San Francisco Community Housing Rehabilitation Program for \$219,246 and an additional \$46,055 on October 4, 1994 (total of \$265,301), both with a simple interest rate of 6% per year. Interest and principal payments have been deferred and may continue to be deferred until the loan's maturity date. The loan is secured by the Organization's Collins Street property. Annual interest is required to accrue until the maturity of the loan. Accrued interest expense was \$15,918 for the fiscal year ended June 30, 2024, and accumulated accrued interest on this loan was \$506,724 as of June 30, 2024.
- 3) On August 26, 1992, the Organization entered into a 30-year Loan Agreement for \$480,000 with the State of California Department of Housing and Community Development, with a simple interest rate of 3% per annum. Interest and principal payments have been deferred, and annual interest is required to accrue until the loan has reached its maturity date. Accrued interest expense was \$14,400 for the fiscal year ended June 30, 2024, and accumulated accrued interest on this loan was \$458,400 as of June 30, 2024.

NOTE H: Concentrations of Revenue

RACS receives approximately 81 percent of its revenue from a local agency. These grants has been serving the majority of the needy in the community. Management believes that the availability of the grants will not be changed.

NOTE I: Contingencies

RACS receives funds from various government sources that are subject to inspection and audit by the appropriate governmental funding agencies. The purpose is to determine whether program funds were used in accordance with the guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits, cannot be reasonably estimated and, accordingly, RACS has no provision for the possible disallowance of program costs in their financial statements.

**RUSSIAN AMERICAN COMMUNITY SERVICES
ASSOCIATION OF SAN FRANCISCO, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE J: Availability and Liquidity

The following represents the Organization's financial assets as of June 30, 2024:

Financial assets at year end:	
Cash	\$ 239,330
Grants receivable	58,960
Investments	<u>1,425,760</u>
Total financial assets	1,724,050
<i>Less amounts not available to be used within one year:</i>	
	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,724,050</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As of June 30, 2024, management believes that the Organization has sufficient funds to meet the current year's obligation.

NOTE K: Subsequent Events

Management of RACS reviewed the results of operations and evaluated subsequent events for the period from its year-end June 30, 2024, through December 19, 2024, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

RUSSIAN AMERICAN COMMUNITY SERVICES

ST OLGA'S HOME

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2024

ASSETS

	<u>Total 2024</u>
Current Assets	
1120 Cash in bank - operating	\$ 9,034
1350 Cash - operating reserve	13,892
1320 Certificate of deposit - replacement reserve	23,329
1240 Prepaid insurance	4,839
Total current assets	<u>51,094</u>
Noncurrent Assets	
1410 Land	187,500
1420 Building	112,500
1420 Building improvement	745,301
4120 Accumulated depreciation	(682,689)
Total noncurrent assets	<u>362,612</u>
Total assets	<u>\$ 413,706</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
2110 Accounts payable	\$ 526
2190 Due from (Due to) RACS SF	7,053
2310 Notes payable including interest	1,710,425
Total liabilities	<u>1,718,004</u>
Net Assets	
3210 Without donor restrictions	(1,341,519)
3235 Operating reserve	13,892
3220 Replacement reserve	23,329
Total net assets	<u>(1,304,298)</u>
Total liabilities and net assets	<u>\$ 413,706</u>

RUSSIAN AMERICAN COMMUNITY SERVICES

ST OLGA'S HOME

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

		Total 2024
	Revenues and Support	
5120	Rent and supportive service	\$ 60,046
5440	Earned revenue - replacement reserve	1,154
	Total revenues and support	61,200
	Expenses	
	Management and general	
	Administrative expenses:	
6330	Management salary and benefits	7,054
6311	Office supplies	337
	Utilities:	
6450	Electricity/gas	7,284
6451	Water	5,227
6400	Telephone & internet	1,612
	Operating and maintenance:	
6510	Janitorial payroll	6,100
6515	Janitorial supplies	461
6541	Repair material	426
6542	Repairs contract	16,401
6545	Elevator maintenance contract	9,141
6546	Heating and cooling repairs and maintenance	2,577
6590	Miscellaneous operating and maintenance	1,790
	Taxes and insurance:	
6720	Property insurance	1,613
6719	Miscellaneous taxes and licenses	41
	Total management and general	60,064
6980	Supportive service - recreation	729
	Total supportive services	729
6830	Other expense - interest on notes payable	30,318
6620	Other expense - depreciation	21,446
	Total other expense	51,764
	Total expenses	112,557
3250	Increase (decrease) in net assets from operating activities	(51,357)
	CHANGES IN NET ASSETS	(51,357)
	Net assets - Beginning of the year	(1,252,941)
	Net assets - Ending of the year	\$ (1,304,298)

RUSSIAN AMERICAN COMMUNITY SERVICES

ST OLGA'S HOME

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

		2024
	Cash flows from operating activities:	
3250	Increase (decrease) in net assets	\$ (51,357)
	Adjustments to reconcile the increase (decrease) in net assets to net cash provided by operating activities:	
6600	Depreciation	21,446
6720	Increase in prepaid insurance	(4,839)
2110	Increase in accounts payable	526
2190	increase in due to RACS SF	7,053
6830	Increase in accrued interest payable	30,318
	Net cash provided (used) by operating activities	3,147
	Cash flow from investing activities:	
1350	Increase in operating reserve	(3,308)
1320	Decrease in replacement reserve	9,195
	Net cash provided (used) by investing activities	5,887
	Cash flow from financing activities:	-
	Net increase (decrease) in cash	9,034
	Cash balance - Beginning of year	-
	Cash balance - Ending of year	\$ 9,034

Note: Audited financial statements classified Operating reserve account as Cash and Cash Equivalents, in accordance with GAAP.

The balance in operating reserve account at June 30, 2024, was \$13,892.