ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC. DBA. ST. VINCENT MEALS ON WHEELS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA. ST. VINCENT MEALS ON WHEELS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Vincent Senior Citizen Nutrition Program, Inc.
dba. St. Vincent Meals on Wheels

Opinion
We have audited the financial statements of St. Vincent Senior Citizen Nutrition Program, Inc. dba. St. Vincent Meals on Wheels (the Organization), which comprise the statement of financial position as of June 30, 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization 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.

Emphasis of Matter
As discussed in Note 13 to the financial statements, the June 30, 2023 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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 Organization's ability to continue as a going concern for 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 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 judgment 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.

Green Hasson & Janks LLP

February 11, 2025
Los Angeles, California

ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA ST. VINCENT MEALS ON WHEELS

STATEMENT OF FINANCIAL POSITION
June 30, 2024

ASSETS

Cash and Cash Equivalents	$ 992,008
Accounts Receivable	215,265
Grants and Contributions Receivable	1,184,988
Inventory	103,625
Prepaid Expenses and Other Assets	142,734
Investments	28,718,617
Property and Equipment	17,424,441
TOTAL ASSETS	$ 48,781,678

LIABILITIES AND NET ASSETS

LIABILITIES:	
Accounts Payable	$ 274,573
Accrued Expenses and Other Liabilities	673,822
Notes Payable (Net)	15,048,973
TOTAL LIABILITIES	15,997,368
NET ASSETS:	
Without Donor Restrictions	20,614,789
With Donor Restrictions	12,169,521
TOTAL NET ASSETS	32,784,310
TOTAL LIABILITIES AND NET ASSETS	$ 48,781,678

The Accompanying Notes are an Integral Part of These Financial Statements

ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA ST. VINCENT MEALS ON WHEELS

STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:			
Contributions	$ 3,699,753	$ 366,374	$ 4,066,127
Meal Preparation Fees	1,686,899	-	1,686,899
Contributed Goods	348,064	-	348,064
Investment Return (Net)	2,334,727	165,197	2,499,924
Rental Income	1,189,519	-	1,189,519
Other Income	51,691	-	51,691
Net Assets Released from Donor Restrictions	1,535,680	(1,535,680)	-
TOTAL REVENUE AND SUPPORT	10,846,333	(1,004,109)	9,842,224
EXPENSES:			
Program Services	9,365,628	-	9,365,628
Management and General	1,226,048	-	1,226,048
Fundraising	1,493,846	-	1,493,846
TOTAL EXPENSES	12,085,522	-	12,085,522
CHANGE IN NET ASSETS BEFORE INHERENT CONTRIBUTION	(1,239,189)	(1,004,109)	(2,243,298)
Inherent Contribution from Acquisition	(6,407,624)	9,053,495	2,645,871
CHANGE IN NET ASSETS	(7,646,813)	8,049,386	402,573
Net Assets - Beginning of Year, as Restated	28,261,602	4,120,135	32,381,737
NET ASSETS - END OF YEAR	$ 20,614,789	$ 12,169,521	$ 32,784,310

The Accompanying Notes are an Integral Part of These Financial Statements

ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA ST. VINCENT MEALS ON WHEELS

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	Program Services						
	Meals on Wheels	Centers	Hotel Dieu	Total Program Services	Management and General	Fundraising	Total
Salaries	$ 1,311,188	$ 1,777,327	$ 166,652	$ 3,255,167	$ 574,181	$ 584,401	$ 4,413,749
Employee Benefits	247,872	335,993	37,891	621,756	56,011	66,424	744,191
Payroll Taxes	95,022	128,803	8,196	232,021	35,129	41,949	309,099
TOTAL PERSONNEL COSTS	1,654,082	2,242,123	212,739	4,108,944	665,321	692,774	5,467,039
Food	1,020,726	911,800	-	1,932,526	-	-	1,932,526
Interest	38,443	52,110	753,719	844,272	55,432	16,043	915,747
Depreciation and Amortization	157,571	213,588	467,043	838,202	45,291	9,116	892,609
Direct Mail, Events, and Fundraising Services	-	-	-	-	-	623,323	623,323
Occupancy	78,241	106,057	250,637	434,935	51,400	33,087	519,422
Other Expenses	89,579	121,423	619	211,621	93,007	37,064	341,692
Contracted Services	25,266	34,248	174,862	234,376	83,966	-	318,342
Supplies	110,329	149,552	14,852	274,733	19,426	14,116	308,275
Repair and Maintenance	28,552	38,702	134,695	201,949	37,964	-	239,913
Auto Expenses	76,050	103,086	-	179,136	-	-	179,136
Professional Fees	-	-	-	-	153,364	-	153,364
Insurance	8,726	11,828	84,380	104,934	10,737	7,564	123,235
Postage	-	-	-	-	10,140	60,759	70,899
TOTAL FUNCTIONAL EXPENSES	$ 3,287,565	$ 3,984,517	$ 2,093,546	$ 9,365,628	$ 1,226,048	$ 1,493,846	$ 12,085,522

The Accompanying Notes are an Integral Part of These Financial Statements

ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA ST. VINCENT MEALS ON WHEELS

STATEMENT OF CASH FLOWS
Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	$ 402,573
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities:	
Depreciation and Amortization	892,609
Unrealized and Realized Gains on Investments	(2,499,924)
Amortization of the Discount on Notes Payable	913,475
Inherent Contribution from Acquisition	(2,645,871)
(Increase) Decrease in:	
Accounts Receivable	(10,095)
Grants and Contributions Receivable	115,912
Inventory	(23,199)
Prepaid Expenses and Other Assets	(2,289)
Increase (Decrease) in:	
Accounts Payable	70,781
Accrued Liabilities	36,401
NET CASH USED IN OPERATING ACTIVITIES	(2,749,627)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Cash Acquired from Acquisition	164,232
Proceeds from Sale of Investments	2,850,112
Purchase of Property and Equipment	(424,564)
NET CASH PROVIDED BY INVESTING ACTIVITIES	2,589,780
NET DECREASE IN CASH AND CASH EQUIVALENTS	(159,847)
Cash and Cash Equivalents - Beginning of Year	1,151,855
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 992,008

SUPPLEMENTAL DISCLOSURES OF NON-CASH FLOW INFORMATION:	
Fair Value of Assets Acquired and Liabilities Assumed, Net of Cash Received	$ 2,645,871

The Accompanying Notes are an Integral Part of These Financial Statements

**ST. VINCENT SENIOR CITIZEN NUTRITION PROGRAM, INC.
DBA. ST. VINCENT MEALS ON WHEELS**

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 1 - NATURE OF OPERATIONS

St. Vincent Senior Citizen Nutrition Program, Inc. dba. St. Vincent Meals on Wheels (the Organization) is a 501(c)(3) nonprofit corporation organized under the laws of the State of California.

The Organization began in 1977 to meet a need for daily nutrition for homebound seniors living in the area around the St. Vincent Medical Center, which is located west of downtown Los Angeles.

(a) PROGRAM DESCRIPTION

Since then, the program has grown to become the largest privately funded meals program in the country, delivering meals within a 44 square-mile area of Los Angeles, and as far as South Los Angeles. With its staff, a volunteer corps of 365, and a fleet of 24 vehicles, the Organization now prepares and delivers more than an average of 2,345 meals daily to individuals who are too frail to shop or cook for themselves. In the year ended June 30, 2024, the Organization served a total of 638,053 meals. Although seniors continue to be the main focus of the program, the Organization's clients also include persons with disabilities and individuals with chronic and debilitating conditions. The Organization serves everyone in need, regardless of age, illness, disability, race, religion, or ability to pay. Its mission is to provide healthy, home-delivered meals to help keep seniors independent and out of nursing homes, restore strength to those who are ill or malnourished, and help ease the pain of loneliness and isolation for those who are homebound.

(b) AREAS OF PROGRAM FOCUS

Meals on Wheels and Centers:

The Meals on Wheels program provides home delivery of hot meals to individuals four to five days a week for certain areas. All meals are prepared with high-quality ingredients and are tailored to the special likes, dislikes, and dietary requirements of each individual. Meals are planned by a registered dietitian on a six-week cycle basis and often feature seasonal and holiday foods. Services also include the delivery of a light snack for later in the day; the delivery of up to a week's worth of frozen, ready-to-heat meals; and a breakfast program for seniors needing a nutritious meal to start their day. While most meals are delivered directly to the individual clients' homes, the Organization also delivers meals in quantity to centers including, but not limited to, St. Barnabas Day Care, Salvation Army Meals on Wheels, Santa Monica Meals on Wheels, and West Los Angeles Meals on Wheels.

NOTE 1 - NATURE OF OPERATIONS (continued)

(b) AREAS OF PROGRAM FOCUS (continued)

As of June 2024, the Organization has delivered over 29 million nutritional meals and is continuing to extend its record of service by reaching out to more seniors with the greatest need for home delivered meals. It's goal is to help clients remain in their homes, achieving healthy outcomes with the intervention of our nutritious meals.

Hotel Dieu:

On July 1, 2023, St. Vincent Meals on Wheels merged with Hotel Dieu, Inc. The purpose of the merger was to consolidate management for greater administrative efficiency only, and not to change any part of Hotel Dieu's support for the low-income seniors it serves.

Hotel Dieu is located next to St. Vincent Meals on Wheels. Similar to St. Vincent Meals on Wheels, Hotel Dieu is a ministry of the Daughters of Charity. The program provides housing for low-income seniors and/or disabled persons who are capable of living independently. The mission of this program is to enhance the independence, well-being and security of its residents by providing housing, daily activities, and supportive services for those they serve. Hotel Dieu became operational in September 2006.

Hotel Dieu offers residents of its 113 unit building a private chapel, weekly housekeeping service, and all utilities including cable. Residents of Hotel Dieu also have the choice to become recipients of the Meals on Wheels program.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The Organization's financial statements have been prepared on the accrual basis of accounting.

(b) NET ASSETS

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

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) NET ASSETS (continued)

- **Net Assets With Donor Restrictions.** Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(c) CASH AND CASH EQUIVALENTS

The Organization has defined cash and cash equivalents as cash in bank or money market accounts holding certificates of deposit or treasury bills with an original maturity of three months or less at the time of purchase. The carrying value of cash and cash equivalents at June 30, 2024 approximates its fair value.

The Organization maintains its cash and cash equivalents in bank deposit and money market accounts, which, at times, may exceed federally insured 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. The Organization does not recognize a reserve for expected credit losses related to its cash equivalents as it has concluded there is no risk of non-payment.

(d) ACCOUNTS RECEIVABLE AND RELATED REVENUE RECOGNITION

Accounts receivable are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of such receivables, net of an allowance for credit losses, if any, represents their estimated net realizable value. The Organization closely monitors accounts receivable and estimates the allowance for credit losses when lifetime credit losses are expected by management. The estimation of the allowance is based on an analysis of historical loss experience, management's assessment of current conditions and reasonable and supportable expectation of future conditions. The Organization assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific customer balances do not share similar risk characteristics with the pools.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) ACCOUNTS RECEIVABLE AND RELATED REVENUE RECOGNITION (continued)

As related to rent receivables included in accounts receivable, the Organization assesses whether collectability is probable at the commencement of each lease contract based on the credit standing of the lessee and other factors. Collectability is subsequently reassessed during the lease term, and, if collection is no longer probable, the difference between the lease income that would have been recognized based on prior collectability assumptions and the lease payments that have been collected from the lessee are recognized as a current-period adjustment to rental income. The Organization assesses collectability on an individual lessee basis and does not record a general reserve for operating lease receivables.

All accounts receivable were considered collectible at June 30, 2024, and, therefore, no allowance for credit losses was deemed necessary.

The Organization's revenues from contracts with customers are generated from meal preparation and delivery services. Such meal preparation fees revenues are earned from contracts with individuals and centers for the provision of meals and is generally billed based on a pre-determined per meal rate after the services are provided. Revenue from contracts with customers is recognized at a point in time when the prepared meals are delivered into individuals' or centers' possession and the respective performance obligations are satisfied.

The Organization leases the apartments in its Hotel Dieu facility under operating leases with a term of one year or less and recognizes rental income on a straight-line basis over the terms of the respective lease agreements. Unbilled rent receivable or deferred rent revenue are recorded, as appropriate, for the accumulated difference between the cash received and the straight-line rental income. At June 30, 2024, the leased Hotel Dieu facility had a net book value of $11,617,600, net of accumulated depreciation of $464,185.

The Organization determines whether the contract contains a lease at its inception based on whether the contract conveys the right to control the use of identified facilities for a period of time in exchange for consideration. The classification of the lease as operating or financing is also determined at the inception of the lease contract. If the provisions of the lease change after lease inception, other than by renewal or extension, the Organization evaluates whether that change may have resulted in a different lease classification had the change been in effect at inception. If so, the revised agreement is considered a new lease for lease classification purposes. The Organization's leases do not contain significant non-lease components.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) GRANTS AND CONTRIBUTIONS RECEIVABLE AND RELATED REVENUE RECOGNITION

The Organization recognizes grants and contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Contributions are recorded at fair value, and in the case of pledges, are recorded at the net present value of their estimated future cash flows. The Organization evaluated the collectability of grants and contributions receivable at June 30, 2024 based on historical collection trends, type of donor or grantor, the age of outstanding receivables and existing economic conditions, and determined no reserve for uncollectible amounts is necessary.

(f) INVENTORY

Inventory consists of food and related supplies. Purchased inventory items are stated at the lower of cost (first-in, first-out) or market value. Donated inventories are stated at market value at the date of contribution.

(g) INVESTMENTS

Investments in marketable securities with readily determinable fair values are reported at fair value. Investments held in the pooled investment fund are valued based on the values of the underlying investments provided by the investment fund manager, without adjustment, which is calculated in a manner consistent with accounting principles generally accepted in the United States of America.

Sales and purchases of securities are recorded on trade date, which results in receivables and payables on trades that have not yet settled at the financial statement date. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in investment return (net) in the statement of activities and represent the change in the difference between the cost and current market quotations of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost at the date of acquisition if purchased or at estimated fair value at the date of donation if donated. Depreciation is computed using the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to $5,000 and the useful life is greater than one year.

The estimated useful lives are as follows:

Leasehold Improvements	10-40 Years
Furniture and Equipment	5-40 Years
Buildings and Improvements	10-40 Years
Vehicles	6 Years

(i) LONG-LIVED ASSETS

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the asset, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No impairment losses were recognized on long-lived assets during the year ended June 30, 2024.

(j) CONTRIBUTED GOODS

Contributions of donated non-cash assets are recorded at fair value in the period received and expensed when utilized. Contributed goods are valued based upon estimates of fair market value that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Contributed goods are not sold but rather used for the Organization’s Meals on Wheels program. During the year ended June 30, 2024, the Organization received $348,064 of contributed goods consisting solely of food items that were valued based on the purchase prices of similar items.

Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, were provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A substantial number of volunteers have donated significant amounts of their time to the Organization. The services that these individuals rendered, however, do not meet the above criteria and, as such, are not recognized as revenue.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) INCOME TAXES

The Organization is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

In accordance with the Financial Accounting Standards Board's (FASB) Accounting Standards Codification Topic No. 740, *Uncertainty in Income Taxes*, the Organization recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended June 30, 2024, the Organization performed an evaluation of uncertain tax positions and did not identify any matters that would require recognition in the financial statements, or which might have an effect on its tax-exempt status.

(l) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Organization's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Organization uses a combination of measures to allocate indirect and shared costs, such as proportionate meals served for meal-based programs, estimated time spent by staff on various activities, and square footage.

(m) 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 reported amounts of assets, liabilities, revenues and expenses as of the date and for the period presented. Accordingly, results could differ from those estimates.

(n) NEW ACCOUNTING PRONOUNCEMENTS

In June 2016, FASB issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology previously used for certain financial instruments with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates in their measurement. The guidance has subsequently been amended through a series of targeted ASUs. The Organization implemented this ASU during the year ended June 30, 2024, and the adoption had no material impact on the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2024, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through February 11, 2025, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

NOTE 3 - GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable at June 30, 2024, are due to be collected as follows:

Due within One Year	$	637,050
Due in Two to Five Years		400,000
Due Beyond Five Years		147,938
TOTAL GRANTS AND CONTRIBUTIONS RECEIVABLE	$	1,184,988

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization has implemented the fair value accounting standard for those assets that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates, and yield curves. Fair values determined by Level 3 inputs utilize unobservable data points for the asset and include situations where there is little, if any, market activity for the asset.

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following table presents information about the Organization's investments that are measured at fair value on a recurring basis at June 30, 2024, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

		Fair Value Measurements Using		
	Year Ended June 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled Investment Fund	$ 28,718,617	$ -	$ -	$ 28,718,617

The fair value of investments within Level 3 was determined as described in Note 2(g).

The following table summarizes activity in the investments valued using significant unobservable inputs (Level 3) for the year ended June 30, 2024:

	Pooled Investment Fund
Beginning Balance	$ 27,310,194
Purchases	1,758,611
Sales	(2,850,112)
Investment Return (Net)	2,499,924
ENDING BALANCE	$ 28,718,617

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2024 consist of the following:

Land	$ 1,457,010
Buildings and Improvements	20,126,162
Furniture and Equipment	1,648,520
Vehicles	647,854
TOTAL	23,879,546
Less: Accumulated Depreciation	(6,455,105)
TOTAL PROPERTY AND EQUIPMENT (NET)	$ 17,424,441

Depreciation expense for the year ended June 30, 2024 was $892,609.

NOTE 6 - NOTES PAYABLE

The Organization has two unsecured, non-interest-bearing notes payable to The Daughters of Charity Foundation (the foundation), a related party. The value of the interest-free financing was recognized as inherent contributions with donor restrictions, along with corresponding discounts on the notes payable, based on the imputed interest rates derived from risk-free rates for borrowings with similar terms. The notes payable discounts are amortized over the terms of the notes using the effective interest method with the related amounts included in the interest expense on the statement of functional expenses.

Notes payable consist of the following at June 30, 2024:

	Note 1	Note 2	Total
Face Amount of the Note	$ 20,431,701	$ 4,031,730	$ 24,463,431
Less Discount	(8,257,112)	(1,157,346)	(9,414,458)
NOTES PAYABLE (NET)	$ 12,174,589	$ 2,874,384	$ 15,048,973

The first note payable had an original principal amount of $22,167,701 and an outstanding balance at June 30, 2024 of $20,431,701. This note is expected to be repaid through estimated annual payments of $200,000 over the next fifteen years, with the remaining balance due at maturity in June 2039. The imputed interest rate on the note is 4.04%, and discount amortization related to the note totaled $793,388 during the year ended June 30, 2024.

The second note payable had an original principal amount of $6,719,561 and an outstanding balance at June 30, 2024 of $4,031,730. This note is expected to be repaid through estimated annual payments of $223,985 over the next seventeen years, with the remaining balance due at maturity in June 2041. The imputed interest rate on the note is 4.36%, and discount amortization related to the note totaled $120,087 during the year ended June 30, 2024.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2024:

Subject to the Passage of Time:	
Interest-Free Financing on Notes Payable	$ 9,414,458
Contributions Receivable Not Available until Due	700,000
TOTAL SUBJECT TO THE PASSAGE OF TIME	10,114,458
Subject to Expenditure for Specified Purpose:	
Pet Food	187,072
Other Programs	34,234
TOTAL SUBJECT TO EXPENDITURE FOR SPECIFIED PURPOSE	221,306
Subject to Appropriation or Spending Policy:	
Donor-Restricted Perpetual Endowments:	
Endowment Fund Corpus	1,833,757
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	$ 12,169,521

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2024:

Expiration of Time Restrictions:	
Accretion of Discount on Notes Payable	$ 913,475
Payments on Contributions Receivable Restricted Only by Time	100,000
Satisfaction of Purpose Restrictions:	
Pet Food	25,372
Other Programs	331,636
Appropriation in Accordance with the Endowment Spending Policy	165,197
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	$ 1,535,680

NOTE 8 - ENDOWMENT FUND

The Organization's endowment fund is established by gifts with donor restrictions to provide a perpetual endowment, which is to provide a permanent source of income to the Organization in order to fund general operations.

The Organization's management understands California State law as (1) requiring the preservation of the fair value of the original gifts as of the gift date of the donor restricted endowment funds, absent donor stipulations to the contrary and (2) allowing the spending of income and gains on endowments required to be held in perpetuity, absent explicit donor stipulations that all or a portion of such gains be maintained in perpetuity.

The primary long-term financial objective for the Organization's endowments is to preserve the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation and costs of portfolio management. Accumulated earnings as well as gains and losses related to endowment funds are classified as net assets with donor restrictions until they are appropriated by the Board of Directors for use in current operations. The Organization has developed a spending policy that will distribute the entirety of the endowment investment returns annually to support the Organization's operations. The Organization considers that appropriation occurs as part of its annual budget approval process when a decision is made to spend a portion of the accumulated earnings.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). As required by accounting principles generally accepted in the United States of America, this deficiency is required to be reported in net assets with donor restrictions. There were no deficiencies of such nature at June 30, 2024.

At June 30, 2024, the Organization's endowment net assets consisted entirely of original donor-restricted gift amounts required to be held in perpetuity.

Changes in endowment net assets were as follows for the year ended June 30, 2024:

Endowment Net Assets - Beginning of Year	$ 1,833,757
Investment Return (Net)	165,197
Appropriation for Current Operations	(165,197)
ENDOWMENT NET ASSETS - END OF YEAR	$ 1,833,757

NOTE 9 - EMPLOYEE BENEFIT PLAN

The Organization maintains a 403(b) tax shelter annuity retirement plan, which covers eligible regular full-time and part-time employees who have at least two years of service with the Organization. Employee participants must contribute 3.5% of their annual salary, subject to limitations set by the Internal Revenue Service. The Organization matches up to 5% of participant contributions. Employee benefit plan expense for the year ended June 30, 2024 was $152,118.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

In the ordinary course of conducting its operations, the Organization may become involved in various legal proceedings. Some of these proceedings may result in judgments being assessed against the Organization which, from time to time, may have an impact on changes in net assets. The Organization believes that these proceedings, individually or in the aggregate, would not have a material effect on the accompanying financial statements.

NOTE 11 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by the Organization at June 30, 2024 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at June 30, 2024:	
Cash and Cash Equivalents	$ 992,008
Accounts Receivables	215,265
Grants and Contributions Receivable	1,184,988
Investments	28,718,617
TOTAL FINANCIAL ASSETS AT JUNE 30, 2024	31,110,878
Less Amounts Not Available to Be Used within One Year, Due to:	
Donor-Imposed Restrictions:	
Funds Held with Purpose or Time Restrictions	(2,055,063)
Grants and Contributions Receivable Restricted by Time	(700,000)
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	$ 28,355,815

NOTE 11 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (continued)

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and investments. A majority of the Organization's funds comes from contributions for general operations, as well as meal preparation fees. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 12 - ACQUISITION

The Boards of Directors of St. Vincent Meals on Wheels and Hotel Dieu, Inc. approved the agreement of merger between the two organizations effective July 1, 2023, with St. Vincent Meals on Wheels as the surviving entity. Following the merger, Hotel Dieu, Inc. ceased to exist as a separate organization.

The acquisition was accounted for under the guidance for recording acquisitions by not-for-profit entities prescribed by accounting principles generally accepted in the United States of America. The acquisition method requires the acquirer to measure and recognize the identifiable assets acquired, liabilities assumed, and any noncontrolling ownership interests in the acquiree at acquisition-date fair values, with certain exceptions. The acquisition method also requires the not-for-profit acquirer to recognize either goodwill or an inherent contribution received in the acquisition. With the Hotel Dieu, Inc. acquisition, the fair value of the assets acquired exceeded the fair value of the liabilities assumed, which resulted in the recognition of an inherent contribution in the statement of activities.

The following table represents the allocation of the fair value of assets acquired and liabilities assumed at the date of the acquisition:

Assets Acquired:	
Cash	$ 164,232
Accounts Receivable	21,737
Investments	1,758,611
Other Assets	12,937
Property and Equipment	12,192,372
Liabilities Assumed:	
Accounts Payable	(34,395)
Accrued Expenses and Other Liabilities	(88,418)
Note Payable (Net)	(11,381,205)
Inherent Contribution	$ 2,645,871

NOTE 13 - PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2024, management identified a contribution from an irrevocable trust that should have been recorded during the year ended June 30, 2020. Accordingly, net assets as of the beginning of the year have been adjusted retrospectively to reflect the correction of this misstatement. The following table summarizes the effects of the correction on the financial statements as of and for the year ended June 30, 2024:

Statement of Financial Position	Balance as Previously Reported	Adjustment	Balance as Restated
Total Net Assets, Beginning of Year	$ 31,681,737	$ 700,000	$ 32,381,737
Net Assets With Donor Restrictions, Beginning of Year	$ 3,420,135	$ 700,000	$ 4,120,135

Statement of Activities	Balance as Previously Reported	Adjustment	Balance as Restated
Change in Net Assets, Year Ended June 30, 2023	$ (1,111,799)	$ (100,000)	$ (1,211,799)