

SAMARITANS, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

SAMARITANS, INC.

TABLE OF CONTENTS

JUNE 30, 2020

	Page No.
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS:	
Balance Sheets	2
Statements of Activities	3 - 4
Statement of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 14

*ELAINE RENZI,
CPA, LLC*

To the Board of Directors
Samaritans, Inc.
Boston, Massachusetts

Independent Auditor's Report

I have audited the accompanying financial statements of Samaritans, Inc. (a non-profit organization), which comprise the balance sheet as of as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Samaritans, Inc. as of June 30, 2020, 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.

Report on Summarized Comparative Information

I have previously audited Samaritans, Inc.'s 2019 financial statements and I expressed an unmodified audit opinion on those audited financial statements in my report dated September 12, 2019. In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

October 30, 2020

Elaine Renzi, CPA, LLC

SAMARITANS, INC.

BALANCE SHEETS

JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Current assets:		
Cash & equivalents	\$ 2,170,390	\$ 1,425,768
Pledges receivable	50,000	255,000
Contracts receivable	70,487	121,043
Other receivables	89,326	63,919
Prepaid expenses	68,292	51,796
Total current assets	<u>2,448,495</u>	<u>1,917,526</u>
Pledges receivable, long-term	270,845	311,500
Property and equipment, net	18,341	25,899
Total assets	<u>\$ 2,737,681</u>	<u>\$ 2,254,925</u>
 <u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 117,307	\$ 78,229
Revenue received in advance	1,156	6,682
Line of credit	-	-
Loan payable	243,200	-
Total current liabilities	<u>361,663</u>	<u>84,911</u>
Net assets:		
Without donor restrictions	2,038,185	1,578,248
With donor restrictions	337,833	591,766
Total net assets	<u>2,376,018</u>	<u>2,170,014</u>
Total liabilities and net assets	<u>\$ 2,737,681</u>	<u>\$ 2,254,925</u>

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

SAMARITANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:			
Public support:			
Contributions	\$ 1,786,725	\$ 16,988	\$ 1,803,713
Grants	404,750	9,345	414,095
Total public support	<u>2,191,475</u>	<u>26,333</u>	<u>2,217,808</u>
Revenue:			
Donated volunteer services	1,194,777	-	1,194,777
Contract revenue	607,469	-	607,469
Program fees	5,908	-	5,908
Other in-kind donations	29,968	-	29,968
Gross special events revenue	92,380	-	92,380
Investment income	19,404	-	19,404
Realized gain (loss) on sale of securities	536	-	536
Total revenue	<u>1,950,442</u>	<u>-</u>	<u>1,950,442</u>
Net assets released from restrictions	280,266	(280,266)	-
Total public support & revenue	<u>4,422,183</u>	<u>(253,933)</u>	<u>4,168,250</u>
Expenses:			
Program services:			
Crisis services	2,243,554	-	2,243,554
Community outreach	382,211	-	382,211
Grief support services	481,464	-	481,464
Total program services	<u>3,107,229</u>	<u>-</u>	<u>3,107,229</u>
Supporting services:			
Management and general	211,755	-	211,755
Development	643,262	-	643,262
Total supporting services	<u>855,017</u>	<u>-</u>	<u>855,017</u>
Total expenses	<u>3,962,246</u>	<u>-</u>	<u>3,962,246</u>
Increase (decrease) in net assets	459,937	(253,933)	206,004
NET ASSETS, beginning of year	1,578,248	591,766	2,170,014
NET ASSETS, end of year	<u>\$ 2,038,185</u>	<u>\$ 337,833</u>	<u>\$ 2,376,018</u>

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

SAMARITANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:			
Public support:			
Contributions	\$ 1,933,389	\$ 25,266	\$ 1,958,655
Grants	327,000	205,000	532,000
Total public support	<u>2,260,389</u>	<u>230,266</u>	<u>2,490,655</u>
Revenue:			
Donated volunteer services	1,122,560	-	1,122,560
Contract revenue	598,000	-	598,000
Program fees	2,449	-	2,449
Other in-kind donations	58,413	-	58,413
Gross special events revenue	104,979	-	104,979
Investment income	5,765	-	5,765
Total revenue	<u>1,892,166</u>	<u>-</u>	<u>1,892,166</u>
Net assets released from restrictions	70,389	(70,389)	-
Total public support & revenue	<u>4,222,944</u>	<u>159,877</u>	<u>4,382,821</u>
Expenses:			
Program services			
Crisis services	2,055,229	-	2,055,229
Community outreach	362,464	-	362,464
Grief support services	469,136	-	469,136
Total program services	<u>2,886,829</u>	<u>-</u>	<u>2,886,829</u>
Supporting services:			
Management and general	143,490	-	143,490
Development	457,012	-	457,012
Total supporting services	<u>600,502</u>	<u>-</u>	<u>600,502</u>
Total expenses	<u>3,487,331</u>	<u>-</u>	<u>3,487,331</u>
Increase (decrease) in net assets	<u>735,613</u>	<u>159,877</u>	<u>895,490</u>
NET ASSETS, beginning of year	842,635	431,889	1,274,524
NET ASSETS, end of year	<u>\$ 1,578,248</u>	<u>\$ 591,766</u>	<u>\$ 2,170,014</u>

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

SAMARITANS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	2020							2019	
	Program Services				Supporting Services			Total Expenses	Total Expenses
	Crisis Services	Community Outreach & Education	Grief Support Services	Total Program Services	Management & General	Development	Total Supporting Services		
Salaries	\$ 683,071	\$ 255,770	\$ 281,144	\$ 1,219,985	\$ 49,607	\$ 198,233	\$ 247,840	\$ 1,467,825	\$ 1,296,024
Employee benefits	66,763	35,023	22,392	124,178	9,200	21,853	31,053	155,231	149,298
Payroll taxes	59,554	22,296	24,510	106,360	4,326	17,304	21,630	127,990	104,497
Total salaries and related expenses	809,388	313,089	328,046	1,450,523	63,133	237,390	300,523	1,751,046	1,549,819
Donated volunteer services	1,150,814	1,345	38,283	1,190,442	1,500	2,835	4,335	1,194,777	1,122,560
Other in-kind donations	4,396	6,593	6,810	17,799	-	12,169	12,169	29,968	58,413
Occupancy costs	119,036	21,375	31,377	171,788	5,295	19,022	24,317	196,105	189,890
Professional fees & consultants	3,990	716	17,927	22,633	99,000	51,331	150,331	172,964	104,936
Telephone	36,741	3,057	4,829	44,627	931	2,480	3,411	48,038	39,357
Supplies	3,296	1,750	4,610	9,656	2,015	4,387	6,402	16,058	12,236
Postage and shipping	-	9	198	207	202	6,630	6,832	7,039	7,679
Conferences and meetings	6,455	1,304	2,862	10,621	222	1,762	1,984	12,605	15,281
Membership and dues	2,750	-	-	2,750	1,220	770	1,990	4,740	4,169
Printing and publications	179	1,308	1,477	2,964	439	18,580	19,019	21,983	31,104
Rental & maintenance of equipment	8,202	1,970	1,353	11,525	677	736	1,413	12,938	12,371
Equipment purchases	12,138	4,255	4,776	21,169	840	3,333	4,173	25,342	9,058
Liability insurance	13,368	-	-	13,368	2,407	-	2,407	15,775	16,159
Breakfast for Hope	954	1,430	1,430	3,814	-	24,213	24,213	28,027	66,166
Special event direct costs	-	9,054	27,160	36,214	-	27,099	27,099	63,313	56,503
Program support	15,000	-	1,000	16,000	-	-	-	16,000	25,000
Technology	24,619	4,768	1,739	31,126	24,184	187,372	211,556	242,682	74,196
Volunteer support	17,585	-	617	18,202	22	-	22	18,224	20,896
Miscellaneous	8,659	9,748	6,275	24,682	9,558	42,823	52,381	77,063	66,479
Total operating expenses	1,428,182	68,682	152,723	1,649,587	148,512	405,542	554,054	2,203,641	1,932,453
Total salaries and operating expenses before depreciation and interest expense	2,237,570	381,771	480,769	3,100,110	211,645	642,932	854,577	3,954,687	3,482,272
Depreciation	5,984	440	695	7,119	110	330	440	7,559	5,059
Total expenses	\$2,243,554	\$ 382,211	\$ 481,464	\$ 3,107,229	\$ 211,755	\$ 643,262	\$ 855,017	\$ 3,962,246	\$ 3,487,331

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

SAMARITANS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Total increase in net assets	\$ 206,004	\$ 895,490
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,559	5,059
Realized (gain) loss on investments	(536)	-
(Increase) decrease in operating assets:		
Pledges receivable	245,655	(77,000)
Contracts receivable	50,555	(47,189)
Other receivables	(25,407)	(34,261)
Prepaid expenses	(16,496)	2,310
Increase (decrease) in operating liabilities:		
Accounts payable & accrued expenses	39,078	23,234
Revenue received in advance	(5,526)	(3,278)
Net cash provided by operating activities	<u>500,886</u>	<u>764,365</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(24,992)
Proceeds from sale of investments	536	7,526
Net cash provided (used) by investing activities	<u>536</u>	<u>(17,466)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loan proceeds	<u>243,200</u>	-
Net cash provided (used) by financing activities	<u>243,200</u>	-
NET INCREASE IN CASH	744,622	746,899
CASH AT BEGINNING OF YEAR	<u>1,425,768</u>	<u>678,869</u>
CASH AT END OF YEAR	<u>\$ 2,170,390</u>	<u>\$ 1,425,768</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for -		
Interest	\$ -	\$ -

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

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(1) NATURE OF OPERATIONS

Samaritans, Inc. is a nonprofit corporation created and operated to reduce the risk of suicide in the community by befriending individuals in despair and crisis and by providing outreach and education. It receives the majority of its funding from the general public. The Organization's base of operations and target population are located primarily in the greater Boston area and Metrowest communities.

Its major programs are: "Crisis Services", which includes providing telephone coverage on a twenty-four hour basis, staffed by trained volunteers, and telephone, online chat, and text services geared towards the teen-aged population; "Community Education and Outreach," providing workshops to the public on suicide and suicide prevention; and "Grief Support Services," providing support to those who have lost a loved one to suicide.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by functional expense. 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 Samaritans, Inc.'s financial statements for the year ended June 30, 2019, from which the information is summarized.

Basis of Presentation

The Organization's financial statements are presented in conformity with U.S. generally accepted accounting principles ("US GAAP") and have been prepared on the accrual basis of accounting.

Net Assets Classifications

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-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 (or certain grantor) restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor- (or certain grantor-) 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. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In- Kind Support

The Organization records various types of in-kind support including professional services, advertising and materials. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses.

Property and Equipment

Property and equipment acquisitions are recorded at cost or fair market value when received. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Expenditures for major renewals in excess of \$5,000 are capitalized.

Cash and Cash Equivalents

Cash equivalents are included in cash. The Organization considers interest-bearing investments due on demand as cash equivalents.

Accounts Receivable

Contracts receivable are based on contract agreements, primarily with Commonwealth of Massachusetts Social Service agencies. Billings are performed, typically on a monthly basis, as services are provided. Billings in any one year may be limited by maximum amounts as stated in some of the contracts. There are no bad debts associated with Commonwealth of Massachusetts contract revenues.

Other receivables consist primarily of checks and online fundraising amounts dated prior to the fiscal year-end, but received shortly after the year-end.

Investments

Investments in marketable securities are stated at fair market value.

Functional Allocation of Expenses

Expenses are charged to each program based on direct expenditures incurred. Expenditures not directly chargeable to programs are allocated in relation to programs based on either payroll expenses or square footage occupied, whichever method more closely correlates to the expenditure incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Organization evaluated subsequent events through October 30, 2020 which is the date the financial statements were available to be issued.

Adoption of New Accounting Standard

During the fiscal year ending June 30, 2020, the Organization adopted FASB's Accounting Standards Update (ASU) 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. This ASU clarifies and improves guidance for contributions received and contributions made and provides guidance to organizations on how to account for certain exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances the comparability of financial information among not-for-profit entities. The Organization adopted ASU 2018-08 using a modified prospective method effective July 1, 2019. Under the modified prospective method, this ASU only applies to agreements not completed or entered into (revenue or expense that has not yet been recognized) as of July 1, 2019. As a result, the fiscal year end 2019 financial statements are not restated and there was no cumulative-effect adjustment to opening net assets as of July 1, 2019.

Additionally, the Organization adopted FASB's ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash as of June 30, 2020. This ASU amends the presentation of restricted cash within the statement of cash flows. The new guidance requires that restricted cash be added to cash for purposes of the statement of cash flows. The adoption of ASU 2016-18 had no effect on the current year or prior year presentations in the accompanying financial statements as the Organization did not hold cash for restricted purposes in the periods presented.

(3) LIQUIDITY AND AVAILABILITY OF RESOURCES

Samaritans, Inc. regularly monitors liquidity required to meet its operating needs and other commitments, while also striving to maximize the investment of its available funds. The Organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

Samaritans, Inc. manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The organization has a liquidity goal of maintaining current financial assets less current liabilities at a minimum of 90 days operating expenses.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 2,170,390	\$ 1,425,768
Pledges receivable (current)	50,000	255,000
Contracts receivable	70,487	121,043
Other receivables	89,326	63,919
	<u>\$ 2,380,203</u>	<u>\$ 1,865,730</u>

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(3) LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

As part of Samaritans, Inc.'s liquidity management plan, cash in excess of daily requirements is invested in an interest-bearing money market account. The Organization typically maintains segregated financial assets on hand to meet a minimum of six months of normal operating expenses.

(4) TAX STATUS

Samaritans, Inc. is an exempt organization under Internal Revenue Code Section 501(c)(3) and is not considered a private foundation. The corporation is also exempt from Massachusetts income taxes.

Samaritans, Inc. has identified its tax status as a tax-exempt entity as a tax position; however, it has determined that such tax position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. Its Federal and state tax returns are generally open for examination for the past three years.

(5) PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give by donors. Receivables are classified as current and noncurrent. Current receivables are expected to be collected during the next year and are recorded at their net realizable value. Noncurrent contributions receivable have been discounted at 3.0% and are reflected in the financial statements at their net present value.

At June 30, 2020 and 2019 pledges receivable consisted of the following:

	<u>2020</u>	<u>2019</u>
Amounts due in:		
Less than one year	\$ 50,000	\$255,000
One to five years	250,000	250,000
More than five years	<u>50,000</u>	<u>100,000</u>
Gross pledges receivable	350,000	605,000
Less:		
Discounts to pledged value	<u>(29,155)</u>	<u>(38,500)</u>
Net pledges receivable	<u>\$320,845</u>	<u>\$566,500</u>

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(6) PROPERTY AND EQUIPMENT

Property and equipment are summarized by major classification as follows:

	<u>2020</u>	<u>2019</u>
Furniture and equipment	\$55,191	\$55,191
Leasehold improvements	18,766	18,766
Less: Accumulated depreciation	<u>(55,616)</u>	<u>(48,058)</u>
	<u>\$18,341</u>	<u>\$25,899</u>

Depreciation expense amounted to \$7,558 and \$5,059 for years ended June 30, 2020 and 2019, respectively.

(7) LINE OF CREDIT

The Organization has a line of credit with a bank to the extent of \$220,000. The note, which expires in November 2020 is due on demand. The note bears interest at a variable interest rate known as the Bank's Base Rate, which is computed on a 365 or 366/360 basis, but shall at no time be less than 4.00%. The amount outstanding on the line at June 30, 2020 and 2019 was \$-0-.

(8) LOAN PAYABLE

The Organization received a loan in the amount of \$243,200 in April of 2020 through the Federal Paycheck Protection Program. The Program includes a provision for loan forgiveness if the borrower uses all of the proceeds for "forgivable purposes." "Forgivable purposes" are defined in the loan document. Management is confident that the loan fully qualifies for forgiveness as defined under the Federal Paycheck Protection Program and will be forgiven during fiscal year 2021.

(9) ACCRUAL FOR COMPENSATED ABSENCES

The Organization follows a "use-it or lose-it" policy regarding vacation, sick and other personal time. Sick pay can be used only in the event of illness. Compensated absence benefits are lost if not used by employee anniversary dates. Due to the insignificance of unused vacation time as of June 30, 2020 and 2019, and to the uncertainty regarding payment of sick leave, no accrual amount has been quantified.

(10) NET ASSETS WITH DONOR RESTRICTIONS

Grants and contributions with temporary restrictions assigned by donors at June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Unrestricted purposes after the passage of time	\$337,833	\$591,766

During the years ended June 30, 2020 and 2019, net assets released from restrictions due to time amounted to \$280,266 and \$70,389, respectively.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(11) DEFINED CONTRIBUTION RETIREMENT PLAN

Samaritans, Inc. adopted a 401(k) savings plan, effective January 1, 2004, covering all benefit-eligible employees. After six months' employment, employees can defer a portion of their compensation subject to annual limits as defined in the Internal Revenue Code. Samaritans, Inc. matches employee contributions at a rate of 50% of the first 6% of salary the employee contributes. The match is discretionary on the part of the employer.

The Organization contributed \$25,195 and \$28,126 to the plan during fiscal years ending June 30, 2020 and 2019, respectively.

(12) COMMITMENTS

Samaritans, Inc. leases office space in Boston under a non-cancelable operating lease, which was renewed and expanded for additional space as of June 30, 2020. The expanded space term commences on November 1, 2020. The updated lease provides for one month of free rent for November of 2020 and continues for a ten-year term until October 31, 2030. The lease is subject to property tax and operating cost escalation clauses. Fixed rental payments under this lease for each of the next five years and in the aggregate are:

Fiscal year ending June 30:

2021	\$ 127,700
2022	246,192
2023	253,572
2024	260,940
2025	268,032
Thereafter	<u>1,554,172</u>
	<u>\$2,710,608</u>

Rent expense (including common area maintenance charges and real estate taxes) relating to this lease totaled \$185,042 and \$175,239, respectively for fiscal years ending June 30, 2020 and 2019.

(13) CONCENTRATIONS

Cash and equivalents

The Organization maintains its cash and cash equivalents in bank deposit accounts and a money market brokerage account. All accounts are maintained in highly rated financial institutions. The Organization has not experienced any losses and does not believe it is exposed to any significant credit risk on these accounts.

The following table provides a breakdown of accounts:

	June 30, 2020	June 30, 2019
Cash in banks	\$ 156,034	\$ 420,685
Cash in federal money market fund brokerage account	<u>2,014,356</u>	<u>1,005,083</u>
	<u>\$2,170,390</u>	<u>\$1,425,768</u>

Balances in bank deposit accounts, at times, exceed federally insured limits. Amounts in excess of FDIC insured limits total \$0- and \$147,157 as of June 30, 2020 and 2019, respectively.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(13) CONCENTRATIONS (Continued)

Revenue & support

The Organization receives substantial contributions from donors. Contributions from four donors totaled 9% of total support and revenue for the year ended June 30, 2020. Contributions from two donors totaled 20% of total support and revenue for the year ended June 30, 2019.

The Organization provides contract services to nonprofit and government agencies. Revenue from four government contracts totaled 21% of total support and revenue for the year ended June 30, 2020 and three government contracts totaled 9% of total support and revenue for the year ended June 30, 2019.

For purposes of this calculation, in-kind donations are excluded from total support and revenue.

Pledges receivable

Pledges receivable, both current and long-term, is a promise to give received from one donor.

(14) DONATED SERVICES, MATERIALS, AND FIXED ASSETS

During the years ended June 30, 2020 and 2019, donated services for the Crisis Services volunteers were recorded based upon comparable compensation, which would be paid to individuals if they were to occupy these positions. Other donated items were valued at fair market value at date of donation. A summary of in-kind donations and donated services is as follows:

	<u>2020</u>	<u>2019</u>
Donated goods & services - special events	\$ 7,990	\$ 15,321
Donated goods & services - other	21,978	43,092
Other in-kind donations	<u>\$ 29,968</u>	<u>\$ 58,413</u>
Donated volunteer services	<u>\$1,194,777</u>	<u>\$1,122,560</u>

(15) SPECIAL EVENTS

Accounting standards dictate the presentation of special event income on a gross proceeds basis. An accounting for net receipts on special events is as follows:

	<u>2020</u>			<u>2019</u>
	<u>5K Road Race</u>	<u>Marathon</u>	<u>Total</u>	<u>Total</u>
Contributions	<u>\$551,198</u>	<u>\$194,317</u>	<u>\$745,515</u>	<u>\$641,696</u>
Special events revenue	\$ 89,723	\$ 2,657	\$ 92,380	\$104,979
Direct expenses	<u>(60,775)</u>	<u>(2,538)</u>	<u>(63,313)</u>	<u>(56,503)</u>
Net revenue	<u>\$ 28,948</u>	<u>\$ 119</u>	<u>\$ 29,067</u>	<u>\$ 48,476</u>
Total contributions and net revenue	<u>\$580,146</u>	<u>\$194,436</u>	<u>\$774,582</u>	<u>\$690,172</u>

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

(16) RECLASSIFICATIONS

Certain reclassifications of prior year amounts have been made to conform to the current year presentation. Specifically, Cost of *direct benefits to donors*, a line item on the Statement of Activities Revenue section, was moved to a separate line item *Special event direct expenses*, on the statement of functional expenses. Such reclassifications did not change total assets, liabilities or changes in net assets as reflected in the 2020 financial statements.

(17) UNCERTAINTIES -COVID-19

The COVID-19 outbreak in the United States has caused economic disruption through mandated and voluntary closings of numerous businesses and organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and resultant impact. At this point, the extent to which COVID-19 may impact our future financial condition or changes in net assets is uncertain.