



Kelly Vitale Raffol LLC
CERTIFIED PUBLIC ACCOUNTANTS



SAMARITANS, INC.

Financial Statements

For the Years Ended June 30, 2023 and 2022

Certified Women Owned Business

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SAMARITANS, INC.

Financial Statements

For the Years Ended June 30, 2023 and 2022

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Independent Auditors' Report

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

Opinion

We have audited the accompanying financial statements of Samaritans, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities, cash flows, and functional expenses for the years 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 Samaritans, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 Samaritans Inc. 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.

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, which raise substantial doubt about Samaritans, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Samaritans, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, which raise substantial doubt about Samaritans, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KellyVitaleRaffol LLC

Boston, Massachusetts
October 25, 2023

SAMARITANS, INC.

Statement of Financial Position

For the Years Ended June 30, 2023 and 2022

	2023	2022
<i>Assets</i>		
Cash and cash equivalents	\$ 687,495	\$ 395,580
Investments	5,554,665	3,422,970
Accounts receivable	2,421	139,156
Pledges receivable	1,411,050	518,339
Contracts receivable	98,409	143,070
Prepaid expenses	37,944	78,010
	7,791,985	4,697,125
<i>Other assets</i>		
Pledges receivable, long-term	1,432,417	-
Right of use asset	2,707,259	-
Property and equipment, net	50,983	63,775
	4,190,659	63,775
	\$ 11,982,644	\$ 4,760,900
 <i>Liabilities and net assets</i>		
<i>Liabilities</i>		
Accounts payable and accrued expenses	\$ 282,585	\$ 227,325
Lease liability	2,747,201	-
	3,029,785	227,325
 <i>Net assets</i>		
Without donor restrictions	6,023,385	3,903,713
With donor restrictions	2,929,474	629,862
	8,952,859	4,533,575
	\$ 11,982,644	\$ 4,760,900

SAMARITANS, INC.

Statement of Activities

For the Year Ended June 30, 2023

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Revenue and support</i>			
Contributions	\$ 2,050,382	\$ 4,013,292	\$ 6,063,674
Grants	263,573	750,000	1,013,573
Contract revenue	2,587,799	-	2,587,799
Program fees	2,500	-	2,500
In-kind donations	992,802	-	992,802
Donated volunteer services	709,915	-	709,915
Gross special events revenue	466,834	-	466,834
Less cost of direct benefits to donors	(95,154)	-	(95,154)
Net special events revenue	371,680	-	371,680
Interest and dividend income	152,044	-	152,044
Realized gain (loss) on investments	(46,832)	-	(46,832)
Unrealized gain (loss) on securities	38,026	-	38,026
Net assets released from restrictions	2,463,680	(2,463,680)	-
	-	-	-
<i>Total revenue and support</i>	9,585,568	2,299,612	11,885,180
<i>Expenses</i>			
Program services	4,644,148	-	4,644,148
Management and general	790,177	-	790,177
Fundraising	2,031,571	-	2,031,571
<i>Total expenses</i>	7,465,896	-	7,465,896
<i>Change in net assets</i>	2,119,672	2,299,612	4,419,284
<i>Net assets, beginning</i>	3,903,713	629,862	4,533,575
<i>Net assets, ending</i>	\$ 6,023,385	\$ 2,929,474	\$ 8,952,859

SAMARITANS, INC.

Statement of Activities

For the Year Ended June 30, 2022

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Public support and revenue:</i>			
Contributions	\$ 2,816,321	\$ -	\$ 2,816,321
Grants	773,040	325,892	1,098,932
Contract revenue	995,357	-	995,357
Program fees	21,499	-	21,499
In-kind donations	1,474,904	-	1,474,904
Donated volunteer services	1,287,808	-	1,287,808
Gross special events revenue	159,287	-	159,287
Less cost of direct benefits to donors	(92,376)	-	(92,376)
Net special events revenue	66,911	-	66,911
Investment income	12,744	-	12,744
Realized gain (loss) on sale of investment	1,579	-	1,579
Unrealized gain (loss) on securities	(102,906)	-	(102,906)
Net assets released from restrictions	190,886	(190,886)	-
	<i>Total revenue</i>	<i>135,006</i>	<i>7,673,149</i>
<i>Expenses:</i>			
Program services	5,311,661	-	5,311,661
Management and general	277,405	-	277,405
Fundraising	657,257	-	657,257
	<i>Total expenses</i>	<i>-</i>	<i>6,246,323</i>
	<i>Change in net assets</i>	<i>135,006</i>	<i>1,426,826</i>
<i>Net assets, beginning</i>	<i>2,611,893</i>	<i>494,856</i>	<i>3,106,749</i>
<i>Net assets, ending</i>	<i>\$ 3,903,713</i>	<i>\$ 629,862</i>	<i>\$ 4,533,575</i>

SAMARITANS, INC.

Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022

	2023	2022
<i>Cash flows from operating activities:</i>		
Change in net assets	\$ 4,419,284	\$ 1,426,826
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	12,791	12,791
Contributed stock	-	(85,964)
Realized gain (loss) on sale of investment	46,832	(1,579)
Unrealized loss on investment	(38,026)	102,906
Change in assets		
Accounts receivable	136,735	(72,882)
Pledges receivable	(2,325,128)	(159,369)
Contracts receivable	44,661	(62,999)
Prepaid expenses	40,066	7,730
Right-of-use asset, net	39,942	-
Accounts payable and accrued expenses	55,260	48,570
Deferred revenue		(2,657)
<i>Net cash provided by (used in) operating activities</i>	2,432,418	1,213,373
<i>Cash flows from investing activities:</i>		
Purchase of property and equipment	-	(40,194)
Purchases of investments	(2,140,503)	(1,150,205)
Proceeds from sale of investments	-	87,543
<i>Net cash (used in) investing activities</i>	(2,140,503)	(1,102,856)
<i>Net change in cash and cash equivalents</i>	291,915	110,517
<i>Cash and cash equivalents, beginning</i>	395,580	285,063
<i>Cash and cash equivalents, ending</i>	\$ 687,495	\$ 395,580

SAMARITANS, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2023

	<i>Crisis services</i>	<i>Community outreach and education</i>	<i>Grief support services</i>	<i>Hey Sam</i>	<i>Total program services</i>	<i>Management and General</i>	<i>Fundraising</i>	<i>Cost of direct benefit to donors</i>	<i>Total Expense</i>
Salaries and wages	\$ 1,265,317	\$ 188,500	\$ 167,671	\$ 264,673	\$ 1,886,161	\$ 165,737	\$ 442,146	\$ -	\$ 2,494,044
Employee benefits	140,586	20,923	18,611	29,378	209,498	18,398	49,078	-	276,974
Payroll taxes	100,269	14,936	13,287	20,974	149,466	13,133	35,037	-	197,636
Total salaries and related benefits	1,506,172	224,359	199,569	315,025	2,245,125	197,268	526,261	-	2,968,654
Donated volunteer services	974,067	-	-	18,735	992,802	-	-	-	992,802
In-kind donations	638,924	-	-	-	638,924	-	70,991	-	709,915
Occupancy costs	151,330	30,266	45,399	30,266	257,261	15,133	30,266	-	302,660
Professional fees and consultants	382,961	143,364	87,093	340,007	953,425	253,712	145,182	-	1,352,319
Telephone	54,894	10,979	10,979	10,979	87,831	10,979	10,979	-	109,789
Supplies	554	1,990	554	904	4,002	4,551	11,426	-	19,979
Postage and shipping	61	649	389	73	1,172	172	2,262	-	3,606
Conference and meetings	16,018	4,130	1,773	15,720	37,641	8,089	15,783	-	61,513
Membership and dues	1,200	-	-	-	1,200	1,134	1,735	-	4,069
Printing and publication	523	415	-	42,065	43,003	4,087	27,338	-	74,428
Rental and maintenance of equipment	7,579	758	758	3,032	12,127	1,516	1,516	-	15,159
Equipment purchases	21,116	68	60	22,496	43,740	2,008	158	-	45,906
Liability insurance	32,725	-	-	-	32,725	10,908	-	-	43,633
Special events	-	20,097	-	-	20,097	-	-	95,154	115,251
Program support	62,698	10,803	23,217	7,475	104,193	-	-	-	104,193
Technology	161,033	11,314	7,896	48,724	228,967	10,612	58,640	-	298,219
Volunteer support	16,228	-	-	-	16,228	-	-	-	16,228
Miscellaneous	28,382	1,885	1,229	54,154	85,650	27,673	58,448	-	171,771
Bad Debt Expense	-	-	-	-	-	138,165	-	-	138,165
Depreciation	8,762	1,126	1,778	-	11,666	281	844	-	12,791
Total expenses by function	4,065,227	462,203	380,694	909,655	5,817,779	686,288	961,829	95,154	7,561,050
Less: expenses included with revenues									
Special events	-	-	-	-	-	-	-	(95,154)	(95,154)
Total expenses	\$ 4,065,227	\$ 462,203	\$ 380,694	\$ 909,655	\$ 5,817,779	\$ 686,288	\$ 961,829	\$ -	\$ 7,465,896

See accompanying notes to the financial statements

SAMARITANS, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2022

	<i>Crisis services</i>	<i>Community outreach and education</i>	<i>Grief support services</i>	<i>Total</i>	<i>Management and general</i>	<i>Fundraising</i>	<i>Cost of direct benefit to donors</i>	<i>Total expense</i>
Salaries and wages	\$ 871,980	\$ 279,834	\$ 271,815	\$ 1,423,629	\$ 53,419	\$ 213,957	\$ -	\$ 1,691,005
Employee benefits	76,939	21,254	20,259	118,452	9,639	17,834	-	145,925
Payroll taxes	67,404	19,591	20,826	107,821	4,626	16,270	-	128,717
Total salaries and related benefits	1,016,323	320,679	312,900	1,649,902	67,684	248,061	-	1,965,647
Donated volunteer services	1,456,230	-	18,674	1,474,904	-	-	-	1,474,904
In-kind donations	1,187,562	-	-	1,187,562	-	100,246	-	1,287,808
Occupancy costs	155,161	27,862	40,899	223,922	6,902	24,795	-	255,619
Professional fees and consultants	95,456	143,697	66,529	305,682	153,205	122,285	-	581,172
Telephone	53,391	3,324	5,244	61,959	828	2,497	-	65,284
Supplies	9,883	1,404	920	12,207	1,449	3,079	-	16,735
Postage and shipping	57	165	51	273	1,007	9,696	-	10,976
Conference and meetings	11,154	4,687	495	16,336	5,288	7,115	-	28,739
Membership and dues	2,400	-	-	2,400	1,285	1,175	-	4,860
Printing and publication	93	-	-	93	642	25,355	-	26,090
Rental and maintenance of equipment	9,221	2,206	1,510	12,937	756	814	-	14,507
Equipment purchases	29,737	-	1,725	31,462	6,977	1,591	-	40,030
Liability insurance	18,900	-	-	18,900	5,430	-	-	24,330
Special event direct costs	-	51,818	39,758	91,576	-	-	92,376	183,952
Program support	5,000	-	-	5,000	-	-	-	5,000
Technology	127,208	24,749	21,872	173,829	18,316	36,195	-	228,340
Volunteer support	2,376	-	-	2,376	-	-	-	2,376
Miscellaneous	26,250	1,261	1,164	28,675	7,355	73,509	-	109,539
Depreciation	8,762	1,126	1,778	11,666	281	844	-	12,791
Total expenses	4,215,164	582,978	513,519	5,311,661	277,405	657,257	92,376	6,338,699
Less: direct benefit to donors								
Special events	-	-	-	-	-	-	(92,376)	(92,376)
Total expenses	\$ 4,215,164	\$ 582,978	\$ 513,519	\$ 5,311,661	\$ 277,405	\$ 657,257	\$ -	\$ 6,246,323

See accompanying notes to the financial statements

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 1. Nature of Operations

Samaritans, Inc. (the Organization) 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. The Organization was incorporated as a 501(c)(3) nonprofit corporation in 1978 in the state of Massachusetts.

The Organization's base of operations and target population are located primarily in the greater Boston area and Metro west communities. To further its purposes and achieve its goals, the Organization engages in the following activities:

Crisis Services: Samaritans, Inc. provides 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: Samaritans, Inc. provides workshops to the public on suicide and suicide prevention.

Grief Support Services: Samaritans, Inc. provides support to those who have lost a loved one to suicide.

Hey Sam: Samaritans, Inc. provides a dedicated peer-to-peer youth textline to meet the needs of young people.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). These standards require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets available 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 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.

Adopted Accounting Pronouncements

The Organization has adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. ASU 2014-09 eliminated the transaction and industry-specific revenue recognition guidance under previous U.S. GAAP and replaced it with a principle-based approach for determining revenue recognition. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard improves the usefulness and understandability of the Organization's financial reporting.

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (continued)

The Organization has adopted *ASU 2017-13, Leases (Topic 842)*. The new standards will require organizations that lease assets to recognize on the balance sheet the assets and liabilities of for the right and obligations created by those leases.

Cash and Cash Equivalents

The Organization considers as cash equivalents all highly liquid investments that can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase.

Revenue and Revenue Recognition

The Organization recognizes 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 barriers and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions

The Organization applies ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*, as amended. ASU 2018-08 was issued to make it easier for not-for-profit organizations to evaluate whether gifts, grants or contracts should be accounted for as contributions, or as reciprocal (exchange) transactions accounted for under ASU 2014-09. Under the new guidance, all organizations are required to evaluate whether the resource provider (i.e., federal agency, foundation, corporation, etc.) is receiving commensurate value in a transfer of resources (i.e., assets or reduction/settlement of liabilities) and whether contributions are conditional or unconditional. If commensurate value is received by the resource provider, the transaction is to be accounted for as an exchange transaction by applying ASU 2014-09. If commensurate value is not received by the resource provider (i.e., the transaction is nonexchange), the recipient organization would determine the transaction to be a contribution and determine whether the contribution is unconditional or conditional. The standard improves the usefulness and understandability of the Organization's financial reporting.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional (i.e., at the time when the conditions on which they depend are substantially met). Contributions of assets other than cash are reported at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction until restriction conditions are satisfied, at which time temporarily restricted net assets are reclassified to unrestricted net assets. However, if a restriction is fulfilled in the same accounting period in which the contribution is received, the Organization reports that support as unrestricted.

Donated Services

The Organization receives donated services for certain programs and special events in the form of volunteer hours. Contributed services are recognized in the financial statements if the services provided require specialized training and technical tools used with high proficiency generally not possessed by the general public. During the year ended June 30, 2023 and 2022, the directors, officers, and volunteers have made

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (continued)

Donated Services

contributions of their time to develop the Organization and its programs. These donated services are not reflected in the financial statements because they do not meet the criteria for recognition as contributed services as stipulated under Financial Accounting Standards Board (“FASB”) *Accounting Standards Codification (“ASC”) 958-605, Not-for-Profit Entities, Revenue Recognition*.

Property and Equipment

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

Furniture and equipment	7 years
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Contract Receivables

Contracts receivables 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 these contracts contract revenues.

Investments

Investments are recorded at fair value. 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 investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in the financial statements.

Fair Value Measurements and Disclosures

Accounting Standards Codification (ASC) Section 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices and active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under Section 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Center has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements and Disclosures

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

With respect to the Organization's valuation methodology used to measure the fair value of its investment assets, all fixed income and equity securities and mutual funds are valued at the closing price reported in the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

	2023		
	<i>Quoted Prices in Active Markets for Identical Assets (Level 1)</i>	<i>Significant Other Observable Inputs (Level 2)</i>	<i>Significant Other Unobservable Inputs (Level 3)</i>
Cash and money market funds	\$ 1,619,943	\$ -	\$ -
Bonds	1,948,558		
Mutual funds	1,986,163	-	-
Total	\$ 5,554,664	\$ -	\$ -

	2022		
	<i>Quoted Prices in Active Markets for Identical Assets (Level 1)</i>	<i>Significant Other Observable Inputs (Level 2)</i>	<i>Significant Other Unobservable Inputs (Level 3)</i>
Cash and money market funds	\$ 310,288	\$ -	\$ -
Bonds	2,885,379	-	-
Equities	227,304	-	-
Total	\$ 3,422,971	\$ -	\$ -

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural function or expense classification.

However, certain other costs are attributable to more than one program or supporting service, and therefore, these expenses must be allocated on a reasonable basis that is consistently applied. These specific costs are all being allocated among the various programs and supporting services in the same ratios as departmental program income in the current fiscal year.

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.

Note 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.

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, 2022:

Financial assets at year-end:

Cash	\$ 687,495
Marketable securities	5,554,665
Accounts receivable	2,421
Pledges receivable	1,411,050
Contracts receivable	<u>98,409</u>
<i>Total financial assets</i>	7,754,040
Less: Net assets with donor restrictions	<u>2,929,474</u>
<i>Financial assets available to meet general expenditures over the next 12 months</i>	<u>\$ 4,824,566</u>

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 3. *Liquidity and Availability of Resources (continued)*

As part of the Organization'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.

Note 4. *Pledge Receivables*

Pledges receivables 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 has been discounted at 4.0% and are reflected in the financial statements at their net present value.

At June 30, 2023 and 2022 pledge receivables consisted of the following:

	<u>2023</u>	<u>2022</u>
Amounts due in:		
Less than one year	\$ 1,411,050	\$ 518,339
One to five year	1,432,417	-
	<hr/>	<hr/>
Gross pledges receivable	2,843,467	518,339
Less: Discounts to pledges value	(117,435)	-
	<hr/>	<hr/>
<i>Net pledges receivable</i>	<u>\$ 2,726,032</u>	<u>\$ 518,339</u>

Note 5. *Property and Equipment*

Property and equipment are summarized by major classification as follows:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 81,106	\$ 81,106
Leasehold improvements	56,930	56,931
Less: Accumulated depreciation	(87,053)	(74,262)
	<hr/>	<hr/>
<i>Property and equipment, net</i>	<u>\$ 50,983</u>	<u>\$ 63,775</u>

Depreciation expense was \$12,791 for years ended June 30, 2023 and 2022.

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 6. Net Assets with Donor Restrictions

Grants and contributions with restricted by donors at June 30, 2023 and 2022 are \$2,929,474 and \$629,862, respectively.

Note 7. Defined Contribution Retirement Plan

The Organization has a 401(k) savings plan, covering all benefit-eligible employees who meet certain terms and conditions. A discretionary employer match of employee contributions is made at a rate of 50% of the first 6% of salary the employee contributes. The Organization contributed \$41,163 and \$24,922 to the plan during fiscal years ending June 30, 2023 and 2022, respectively.

Note 8. Commitments

The Organization leases office space in Boston under a non-cancelable operating lease, which was renewed and expanded for additional space as of June 30, 2021. 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. The results of the lease implementation standards are as follows:

Weighted-average life of asset	12 years
Weighted-average discount rate	2.88%
Fiscal year ending June 30:	
2024	183,932
2025	196,771
2026	209,992
2027	223,589
2028	237,581
Thereafter	<u>1,695,335</u>
Lease liability	<u>\$ 2,747,201</u>

Note 9. Concentration of Credit Risk

The Organization maintains its cash in accounts with high credit quality financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures cash balances up to \$250,000 for covered financial institutions. Balances in these accounts may, at times, exceed federally insured limits. As of June 30, 2023, the uninsured portion of these balances was \$5,642 and none for the years ended June 30, 2023 and 2022, respectively. The Organization has not experienced any losses in such accounts.

SAMARITANS, INC.

Notes to the financial statements

For the Year Ended June 30, 2023 and 2022

Note 10. Donated Services

During the years ending June 30, 2023 and 2022, 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.

	<u>2023</u>	<u>2022</u>
Donated good & services- special events	\$ -	\$ 61,106
Donated good & services- other	992,802	1,226,702
<i>Other in-kind donations total</i>	<u>\$ 992,802</u>	<u>\$ 1,287,808</u>
<i>Donated volunteer services</i>	<u>\$ 709,915</u>	<u>\$ 1,474,904</u>

Note 11. Subsequent Events

The Organization's management has evaluated events after June 30, 2023, through October 25, 2023, which is the date the financial statements were available to be issued. There were no material subsequent events as of that date which would require disclosure in or adjustment to these financial statements.