

**THE SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
of The Samaritan House of  
Orangeburg County, Inc.

### Opinion

We have audited the accompanying financial statements of The Samaritan House of Orangeburg County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Samaritan House of Orangeburg County, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our 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 The Samaritan House of Orangeburg County, 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, that raise substantial doubt about The Samaritan House of Orangeburg County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

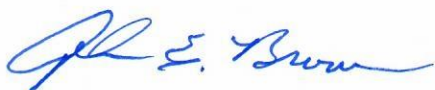
### Auditor's Responsibilities for the Audit of the Financial Statements

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Samaritan House of Orangeburg County, 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, that raise substantial doubt about The Samaritan House of Orangeburg County, 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.

A handwritten signature in blue ink, appearing to read "J. E. Brown".

April 29, 2024

**SAMARITAN HOUSE OF ORANEBURG COUNTY, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2023**

**Assets**

**Current assets:**

Cash	\$ 684,657
Pledges receivable	<u>61,430</u>
<b>Total current assets</b>	<u><u>746,087</u></u>

**Non-current assets:**

Property and equipment, net	<u>971,596</u>
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<b>Total assets</b>	<b>\$ <u><u>1,717,683</u></u></b>
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**Liabilities and Net Assets**

**Current liabilities:**

Accounts payable	\$ <u>33,210</u>
<b>Total current liabilities/liabilities</b>	<u><u>33,210</u></u>

**Net assets:**

Without Donor Restrictions	<u>1,684,473</u>
<b>Total net assets</b>	<u><u>1,684,473</u></u>

<b>Total liabilities and net assets</b>	<b>\$ <u><u>1,717,683</u></u></b>
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See notes to financial statements

**THE SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**DECEMBER 31, 2023**

<b>Revenue and Support:</b>	\$ <u>714,596</u>
<b>Total Revenue and Support</b>	<u>714,596</u>
<b>Expenses:</b>	
Program services	159,901
Management and general	289,473
Fundraising	<u>5,280</u>
<b>Total Expenses</b>	<u>454,654</u>
<b>Increase (decrease) in net assets</b>	<u>259,942</u>
<b>Net assets at beginning of year</b>	<u>1,424,531</u>
<b>Net assets at end of year</b>	<u>\$ 1,684,473</u>

See notes to financial statements

**THE SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2023**

	Program Services	Management & General	Fundraising	Total	2022 Total
Professional and Legal	\$ -	\$ 9,295	\$ -	\$ 9,295	\$ 4,355
Advertising	-	-	2,880	2,880	6,141
Insurance	-	19,017	-	19,017	13,437
Printing	-	3,793	-	3,793	2,071
Fundraising	-	-	2,400	2,400	2,000
Repairs and maintenance	6,992	77,316	-	84,308	22,201
Depreciation	-	39,274	-	39,274	33,934
SLED Checks	1,522	-	-	1,522	1,571
Rents	-	-	-	-	4,286
Postage	-	2,615	-	2,615	1,305
Supplies	9,458	4,977	-	14,435	21,723
Occupancy	-	20,501	-	20,501	27,246
Technology	-	954	-	954	2,598
Telephone	-	2,933	-	2,933	2,913
Website	4,317	-	-	4,317	4,374
Fiscal operations	-	12,453	-	12,453	2,216
Dues and subscriptions	-	1,212	-	1,212	785
Healthcare	-	-	-	-	698
Salaries	137,612	88,044	-	225,656	202,426
Travel	-	5,139	-	5,139	4,736
Other	-	1,950	-	1,950	1,504
	<u>-</u>	<u>1,950</u>	<u>-</u>	<u>1,950</u>	<u>1,504</u>
 Total Expenses	 \$ <u>159,901</u>	 \$ <u>289,473</u>	 \$ <u>5,280</u>	 \$ <u>454,654</u>	 \$ <u>362,520</u>

See notes to financial statements.

**THE SAMARITAN OF ORANGEBURG COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2023**

<b>Cash flows from operating activities:</b>	
Change in net assets	\$ 259,942
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	39,274
Changes in assets and liabilities:	
Increase in current assets	(154,504)
Annual campaign pledges receivable	169,261
Decrease in current liabilities	<u>(7,378)</u>
Net cash provided by operating activities	<u>306,595</u>
Cash flows from investing activities	
Purchases of property and equipment	<u>(137,334)</u>
<b>Net increase (decrease) in cash</b>	<u>169,261</u>
<b>Cash - Beginning of year</b>	<u>515,396</u>
<b>Cash - End of year</b>	<u>\$ 684,657</u>

See notes to financial statements.



**SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2023**

**NOTE 1 - Background and Summary of Significant Accounting Policies**

**Principal Business Activities**

The Samaritan House of Orangeburg County, Inc. (Samaritan House) (a nonprofit organization) was incorporated in the State of South Carolina on December 19, 2001. Samaritan House was founded in response to the realization of a great need to serve the homeless in the Orangeburg County area by community leaders. With initial funding primarily from the United States Department of Housing and Urban Development (HUD), the organization started providing transitional housing from June 2004 through 2016. In addition to HUD, Samaritan House began receiving funding from federal grants, community contributions and private donations. Renovation of the facility occurred in 2004 through funding from the South Carolina State Housing Authority and HOME.

In 2016, the facility closed due to a lack of funding and reopened on September 30, 2020, under the governance of a new board of directors. Reopening occurred after vigorous efforts by the Mayor of Orangeburg to gain commitments from churches, business leaders and government officials to support Samaritan House financially. These efforts resulted in the approximately \$400,000 being raised. Since reopening, Samaritan House has become sustainable and is a 40-bed facility split equally for male and female residents. A waiting list of individuals in need of assistance is maintained.

Samaritan House is unique in that it is the only facility in the Orangeburg area organized to provide homeless men, women and their children with services that include: temporary shelter and residence services; the most beds for the homeless in one location in the tri-county area of Orangeburg, Calhoun and Bamberg Counties; the most daily meals for the homeless in one location – 3 meals per day, 7 days per week; and, agreements with local barbers and beauticians to provide personal care needs. Additionally, Samaritan House offers meals to non-residents experiencing food insecurity.

Management and general activities include the functions necessary to provide support for the organization's program activities. They include activities that provide governance (Board of Directors), oversight, business management, financial recordkeeping and budgeting.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others, as well as government grants.

Samaritan House prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the

**SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2023**

**NOTE 1 - Background and Summary of Significant Accounting Policies (cont.)**

organization are described subsequently to enhance the usefulness and understandability of the financial statements.

**Financial Statement Presentation**

The financial statements are presented on the accrual basis of accounting and have, as required by the *FASB Accounting Standards Codification*, classified net assets based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes in net assets are classified and reported as follows:

- Net assets without donor restrictions - consists of assets, public support and program revenues which are available and used for activities and programs. Net assets without donor restrictions represents the portion of net assets of the organization that are not restricted by donor-imposed stipulations. Contributions are considered without restriction unless specifically restricted by the donor.
- Net assets with donor restrictions – includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and are satisfied either by the passage of time or by actions of the organization. Restrictions of this nature originate from gifts, grants, bequests, and contracts and may include investment income earned on restricted funds.

**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 the reported amounts of assets and liabilities and disclosures 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.

**Revenue and Revenue Recognition**

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets without donor restriction. The organization reports gifts of cash and other assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2023**

**NOTE 1 - Background and Summary of Significant Accounting Policies (cont.)**

Unconditional promises to give are recognized when the promises are received, and allowances are provided for promises estimated by management to be collectible. Unconditional promises due within the next fiscal year are reflected as current receivables, while promises due after one year are reflected as long-term receivables.

**Cash and Cash Equivalents**

Samaritan house considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The carrying amount of cash equivalents approximates fair value.

**Property and Equipment**

Property and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. Equipment is capitalized if it has a cost of \$2,500 or more and a useful life when acquired of more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is generally five (5) to seven (7) years for office furniture and equipment, twenty (20) years for land improvements, and twenty (20) to forty (40) years for buildings and building improvements.

**Compensated Absences**

On July 27, 2023, the Samaritan House Board of Trustees adopted a compensated absences policy wherein full-time, salaried employees are allowed to accrue and carry forward to succeeding years up to 240 hours or 30 days of annual leave. Annual leave accumulated in excess of 240 hours or 30 days will be forfeited.

The value of an employee's accumulated but unused annual leave, not to exceed 240 hours or 30 days, will be paid to the employee at termination. The liability for compensated absences will be recorded in the statement of financial position beginning in 2024.

**Expense Recognition and Allocation**

The cost of providing Samaritan House's programs and other activities is summarized in the statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service.

Costs common to multiple functions have been allocated among the various functions benefited on the basis of periodic time or usage studies.

**SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2023**

**NOTE 1 - Background and Summary of Significant Accounting Policies (cont.)**

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

**Contributed Services**

Samaritan House benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the organization's program operations and in its fund-raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

**Fundraising Costs**

Samaritan House expenses all fundraising costs as they are incurred.

**Advertising Expenses**

Samaritan House expenses advertising expenses as they are incurred.

**Tax Status**

Samaritan House is exempt from federal income taxation under Section 501 (c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC.

Management annually evaluates Samaritan House's tax positions, including accounting and measurement of uncertain tax positions. For the year ended December 31, 2023, management concluded that no uncertain tax positions had been taken that would require adjustment to or disclosure in the financial statements.

**Concentration of Risk**

*Cash and cash equivalents:* Samaritan House maintains its cash in cash deposit accounts, which at times may exceed amounts covered by insurance covered by the U.S. Federal Deposit Insurance Corporation (FDIC). The organizations cash balances exceeded the FDIC limit by \$331,445 at December 31, 2023. The organization does not believe it is exposed to any significant risk on its cash balances.

**SAMARITAN HOUSE OF ORANGEBURG COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2023**

**NOTE 1 - Background and Summary of Significant Accounting Policies (cont.)**

**Recent Accounting Pronouncements**

FASB issued Accounting Standards Update (ASU) 2016-02, Leases (topic 842). ASU 2016-02 was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements. Under the provisions of ASU 2016-02, a lessee is required to recognize a right-to-use asset and lease liability, initially measured at the present value of the lease payments, in the statement of financial position. In addition, lessees are required to provide qualitative and quantitative disclosures that enable users to understand more about the nature of the Organization's leasing activities. The Organization adopted the guidance for the year ended December 31, 2023, and there was no impact on its financial statements.

**NOTE 2 – Property and Equipment**

Property and equipment consist of the following at December 31, 2023:

Buildings and improvements	\$1,162,447
Vehicles	11,544
Equipment and furnishings	<u>158,640</u>
	1,332,631
Less accumulated depreciation	<u>(361,035)</u>
Property and equipment, net	<u>\$ 971,596</u>

**NOTE 3 – Subsequent Events**

Officers of Samaritan House have evaluated subsequent events through April 29, 2024, the date the financial statements were available to be issued.