

SAMARITANS, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2011 AND 2010
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

SAMARITANS, INC.

TABLE OF CONTENTS

JUNE 30, 2011

	Page No.
INDEPENDENT AUDITORS' 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 - 13



**Business Advisors
Certified Public Accountants**

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

Independent Auditors' Report

We have audited the accompanying balance sheet of Samaritans, Inc. (a non-profit organization) as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2010 financial statements and, in our report dated February 16, 2011 we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Pavento, Ratcliffe, Renzi & Co. LLC

October 27, 2011

SAMARITANS, INC.

BALANCE SHEETS

JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Current assets:		
Cash & equivalents	\$ 85,184	\$ 110,390
Pledges receivable, net	65,089	71,380
Contracts receivable	19,463	14,999
Other receivables	6,131	3,335
Prepaid expenses	30,008	41,387
Total current assets	<u>205,875</u>	<u>241,491</u>
Long-term pledges receivable, net	41,125	96,979
Property and equipment, net	27,682	8,400
Investments, at market	55,624	42,343
Total assets	<u>\$ 330,306</u>	<u>\$ 389,213</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 76,146	\$ 75,392
Line of credit	70,000	60,000
Total current liabilities	<u>146,146</u>	<u>135,392</u>
Net assets:		
Unrestricted	(17,638)	(25,002)
Board designated unrestricted	95,584	86,464
Temporarily restricted	106,214	192,359
Total net assets	<u>184,160</u>	<u>253,821</u>
Total liabilities and net assets	<u>\$ 330,306</u>	<u>\$ 389,213</u>

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

SAMARITANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Operating</u>	<u>Board Designated</u>	<u>Total Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public support and revenue:					
Public support:					
Foundations	\$ 273,500	\$ -	\$ 273,500	\$ 2,000	\$ 275,500
Corporate foundations	31,000	-	31,000	-	31,000
United Way	30,004	-	30,004	-	30,004
Individuals	524,447	-	524,447	6,750	531,197
Corporations	76,700	-	76,700	-	76,700
Religious institutions	1,100	-	1,100	-	1,100
Total public support	<u>936,751</u>	<u>-</u>	<u>936,751</u>	<u>8,750</u>	<u>945,501</u>
Revenue:					
Donated services	1,327,151	-	1,327,151	-	1,327,151
Contract revenue	247,570	-	247,570	-	247,570
Program fees and informational requests	1,050	-	1,050	-	1,050
Other in-kind donations	24,826	-	24,826	-	24,826
Special events	37,613	-	37,613	-	37,613
Investment income	780	1,228	2,008	-	2,008
Realized gain on sale of securities	52	-	52	-	52
Unrealized gain on securities	108	7,892	8,000	-	8,000
Total revenue	<u>1,639,150</u>	<u>9,120</u>	<u>1,648,270</u>	<u>-</u>	<u>1,648,270</u>
Loss on pledges	-	-	-	(21,850)	(21,850)
Release of temporarily restricted net assets	73,045	-	73,045	(73,045)	-
Total public support & revenue	<u>2,648,946</u>	<u>9,120</u>	<u>2,658,066</u>	<u>(86,145)</u>	<u>2,571,921</u>
Expenses:					
Program services					
24 hour befriending service	1,602,441	-	1,602,441	-	1,602,441
Samariteens	237,139	-	237,139	-	237,139
Community outreach	163,288	-	163,288	-	163,288
Grief support services	196,772	-	196,772	-	196,772
Total program services	<u>2,199,640</u>	<u>-</u>	<u>2,199,640</u>	<u>-</u>	<u>2,199,640</u>
Supporting services:					
Management and general	85,576	-	85,576	-	85,576
Development	356,366	-	356,366	-	356,366
Total supporting services	<u>441,942</u>	<u>-</u>	<u>441,942</u>	<u>-</u>	<u>441,942</u>
Total expenses	<u>2,641,582</u>	<u>-</u>	<u>2,641,582</u>	<u>-</u>	<u>2,641,582</u>
Increase (decrease) in net assets	7,364	9,120	16,484	(86,145)	(69,661)
NET ASSETS, beginning of year	(25,002)	86,464	61,462	192,359	253,821
NET ASSETS, end of year	<u>\$ (17,638)</u>	<u>\$ 95,584</u>	<u>\$ 77,946</u>	<u>\$ 106,214</u>	<u>\$ 184,160</u>

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

SAMARITANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Operating</u>	<u>Board Designated</u>	<u>Total Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public support and revenue:					
Public support:					
Foundations	\$ 274,150	\$ -	\$ 274,150	\$ 26,000	\$ 300,150
Corporate foundations	30,750	-	30,750	-	30,750
United Way	34,654	-	34,654	243	34,897
Individuals	442,813	-	442,813	69,225	512,038
Corporations	43,500	-	43,500	-	43,500
Religious institutions	250	-	250	-	250
Total public support	<u>826,117</u>	<u>-</u>	<u>826,117</u>	<u>95,468</u>	<u>921,585</u>
Revenue:					
Donated services	1,296,851	-	1,296,851	-	1,296,851
Contract revenue	198,022	-	198,022	-	198,022
Program fees and informational requests	250	-	250	-	250
Other in-kind donations	121,940	-	121,940	-	121,940
Special events	34,668	-	34,668	-	34,668
Investment income	1,355	981	2,336	-	2,336
Unrealized gain on securities	-	4,509	4,509	-	4,509
Other income	60	-	60	-	60
Total revenue	<u>1,653,146</u>	<u>5,490</u>	<u>1,658,636</u>	<u>-</u>	<u>1,658,636</u>
Loss on pledges	-	-	-	(975)	(975)
Release of temporarily restricted net assets	94,026	-	94,026	(94,026)	-
Total public support & revenue	<u>2,573,289</u>	<u>5,490</u>	<u>2,578,779</u>	<u>467</u>	<u>2,579,246</u>
Expenses:					
Program services					
24 hour befriending service	1,571,861	-	1,571,861	-	1,571,861
Samariteens	239,051	-	239,051	-	239,051
Community outreach	179,049	-	179,049	-	179,049
Grief support services	165,267	-	165,267	-	165,267
Total program services	<u>2,155,228</u>	<u>-</u>	<u>2,155,228</u>	<u>-</u>	<u>2,155,228</u>
Supporting services:					
Management and general	81,237	-	81,237	-	81,237
Development	390,552	-	390,552	-	390,552
Total supporting services	<u>471,789</u>	<u>-</u>	<u>471,789</u>	<u>-</u>	<u>471,789</u>
Total expenses	<u>2,627,017</u>	<u>-</u>	<u>2,627,017</u>	<u>-</u>	<u>2,627,017</u>
Increase (decrease) in net assets	(53,728)	5,490	(48,238)	467	(47,771)
NET ASSETS, beginning of year	28,726	80,974	109,700	191,892	301,592
NET ASSETS, end of year	<u>\$ (25,002)</u>	<u>\$ 86,464</u>	<u>\$ 61,462</u>	<u>\$ 192,359</u>	<u>\$ 253,821</u>

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

SAMARITANS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2010

	2011								2010	
	Program Services				Supporting Services				Total Expenses	Total Expenses
	24 Hour	Samariteens	Community Outreach & Education	Grief Support Services	Total Program Services	Management & General	Development	Total Supporting Services		
Salaries	\$ 211,204	\$ 86,620	\$ 113,214	\$ 65,915	\$ 476,953	\$ 26,512	\$ 134,599	\$ 161,111	\$ 638,064	\$ 561,841
Employee benefits	14,848	7,837	7,065	8,036	37,786	3,156	16,161	19,317	57,103	58,188
Payroll taxes	16,551	7,500	9,791	5,729	39,571	2,291	11,614	13,905	53,476	48,064
Total salaries and related expenses	242,603	101,957	130,070	79,680	554,310	31,959	162,374	194,333	748,643	668,093
Donated volunteer services	1,197,627	66,132	2,026	61,366	1,327,151	-	-	-	1,327,151	1,296,851
Other in-kind donations	982	-	-	-	982	200	23,644	23,844	24,826	121,940
Occupancy costs	66,186	27,879	13,241	8,647	115,953	3,714	19,729	23,443	139,396	181,613
Professional fees & consultants	-	-	-	2,250	2,250	32,370	54,934	87,304	89,554	90,328
Telephone	27,119	17,174	3,006	2,275	49,574	1,056	3,753	4,809	54,383	48,141
Supplies	6,342	587	777	3,750	11,456	735	715	1,450	12,906	11,957
Postage and shipping	49	19	26	602	696	624	5,546	6,170	6,866	6,489
Conferences and meetings	2,198	489	290	1,344	4,321	-	175	175	4,496	3,043
Membership and dues	410	150	1,040	-	1,600	219	327	546	2,146	1,527
Printing and publications	1,725	361	4,960	5,261	12,307	265	5,619	5,884	18,191	14,986
Rental & maintenance of equipment	4,365	1,287	1,225	825	7,702	458	424	882	8,584	7,166
Equipment purchases	565	-	-	-	565	-	150	150	715	5,159
Liability insurance	1,561	391	-	-	1,952	53	-	53	2,005	1,901
Major donor initiatives	-	-	-	-	-	-	30,052	30,052	30,052	29,894
Special event direct costs	-	-	-	-	-	-	32,582	32,582	32,582	50,901
Program support	18,732	4,977	-	22,673	46,382	-	-	-	46,382	17,500
Technology	8,293	9,593	2,906	2,906	23,698	3,535	7,899	11,434	35,132	24,083
Volunteer expense	12,646	2,232	241	825	15,944	-	-	-	15,944	8,306
Miscellaneous	5,968	1,561	2,823	3,814	14,166	5,855	6,664	12,519	26,685	16,292
Total operating expenses	1,354,768	132,832	32,561	116,538	1,636,699	49,084	192,213	241,297	1,877,996	1,938,077
Total salaries and operating expenses before depreciation and interest expense	1,597,371	234,789	162,631	196,218	2,191,009	81,043	354,587	435,630	2,626,639	2,606,170
Depreciation	5,070	2,350	657	554	8,631	506	1,779	2,285	10,916	16,800
Interest expense	-	-	-	-	-	4,027	-	4,027	4,027	4,047
Total expenses	\$ 1,602,441	\$ 237,139	\$ 163,288	\$ 196,772	\$ 2,199,640	\$ 85,576	\$ 356,366	\$ 441,942	\$ 2,641,582	\$ 2,627,017

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

SAMARITANS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Total increase (decrease) in net assets	\$ (69,661)	\$ (47,771)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,916	16,800
Change in reserve for uncollectible pledges	11,000	(3,243)
Change in pledge discount	(6,000)	1,200
Realized gain on investments	(51)	-
Unrealized (gain) loss on investments	(8,000)	(4,509)
(Increase) decrease in operating assets:		
Pledges receivable	57,145	25,576
Contracts receivable	(4,464)	6,054
Other receivables	(2,796)	6,893
Prepaid expenses	11,379	(412)
Increase (decrease) in operating liabilities:		
Accounts payable & accrued expenses	754	2,160
Net cash provided (used) by operating activities	222	2,748
CASH FLOWS FROM INVESTING ACTIVITIES:		
Fixed asset additions	(30,198)	-
Proceeds from sale of investments	1,560	-
Purchase of investments	(6,790)	(981)
Net cash (used) by investing activities	(35,428)	(981)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Drawdown of line of credit	10,000	-
Net cash provided (used) by financing activities	10,000	-
NET INCREASE (DECREASE) IN CASH	(25,206)	1,767
CASH AT BEGINNING OF YEAR	110,390	108,623
CASH AT END OF YEAR	\$ 85,184	\$ 110,390
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for -		
Interest	\$ 4,027	\$ 4,047

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

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(1) SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

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 and a federated fundraising agency. The Organization's base of operations and target population are located primarily in the greater Boston area and Metrowest communities.

Its major programs are "24 Hour Hotline," providing telephone coverage on a twenty-four hour basis, staffed by trained volunteers; "Samariteen Hotline," providing telephone coverage geared towards the teen-aged population, by trained teen volunteers; and "Community Education and Outreach," providing workshops to the public on suicide and suicide prevention. Another area of major programming is "Grief Support Services," providing support to those who have lost a loved one to suicide.

(a) Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles for Not-for-Profit Organizations.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Under these provisions, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein may be classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

(b) Contributed Support

The Organization recognizes all contributed support when it is received or unconditionally pledged. Contributed support is reported as unrestricted or as restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(1) SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Contributed Support (Continued)

However, if a restriction is fully satisfied in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Pledges receivable includes unconditional promises to give that are expected to be collected within one year and are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-adjusted interest rate applicable to the year the promise is received. Accretion of the discount is included in contributions and gifts revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

(c) 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.

(d) 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 \$1,000 are capitalized.

(e) Cash and Cash Equivalents

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

(f) 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, 2011

(1) SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. 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 the Organization's financial statements for the year ended June 30, 2010, from which the summarized information was derived.

(h) Investments

Investments in marketable securities are stated at fair market value.

(2) 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.

(3) LINE OF CREDIT

A bank line of credit was established on March 22, 2006 to the extent of \$75,000 and was increased on March 22, 2007 to \$150,000. The note, which expires in March 2012, is secured by a certificate of deposit and 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, 2011 and 2010 was \$70,000 and \$60,000, respectively.

(4) NET ASSETS

(a) Board Designated

The Board has voted to consider certain funds as Board Designated, i.e. to be used for purposes and in compliance with guidelines as stipulated by the Board. Board designated funds included in the unrestricted fund balance for the years ended June 30, 2011 and 2010 totaled \$95,584 and \$86,464 respectively.

(b) Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2011 and 2010 are available for the following purposes:

	<u>2011</u>	<u>2010</u>
Unrestricted purposes after the passage of time	\$ 106,214	\$ 192,359

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(5) PROPERTY AND EQUIPMENT

Property and equipment are summarized by major classification as follows:

	<u>2011</u>	<u>2010</u>
Furniture and equipment	\$30,199	\$ 96,677
Less: Accumulated depreciation	<u>(2,517)</u>	<u>(88,277)</u>
	<u>\$27,682</u>	<u>\$ 8,400</u>

Depreciation expense amounted to \$10,916 and \$16,800 for the years ended June 30, 2011 and 2010, respectively.

(6) FUNCTIONAL 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.

(7) COMMITMENTS

Samaritans, Inc. leases office space in Boston under a non-cancelable operating lease, which commenced on November 1, 2010 and continues for a ten-year term until October 31, 2020. 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:	
2012	\$ 104,718
2013	109,785
2014	114,852
2015	119,919
2016	124,986
2017 - 2021	<u>599,595</u>
	<u>\$1,173,855</u>

Samaritans, Inc. leases office space in Framingham under a non-cancelable operating lease, which commenced on September 1, 2005 for a three-year term with a two-year renewal option. Fixed rental payments under this lease for each of the next five years and in the aggregate are:

Fiscal year ending June 30:	
2012	\$20,004
2013	<u>3,350</u>
	<u>\$23,354</u>

Rent expense totaled \$93,877 and \$153,931, respectively for fiscal years ending June 30, 2011 and 2010.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(8) 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 December 31st of each year. Due to the insignificance of unused vacation time as of June 30, 2011 and 2010, and to the uncertainty regarding payment of sick leave, no accrual amount has been quantified.

(9) CONCENTRATIONS

The Organization receives an annual allotment from a federated fundraising agency. Funds received from the allotment comprised 2% and 3%, respectively, of total support and revenue for the years ended June 30, 2011 and 2010.

The Organization receives substantial contributions from foundations. Contributions from two foundations totaled 10% and 7%, respectively, of total support and revenue for the years ended June 30, 2011 and 2010.

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

(10) RELATED PARTY ACTIVITY

The Organization purchases insurance through a board member. Premiums charged approximated \$12,766 and \$11,235 for the years ended June 30, 2011 and 2010, respectively. Management performs comparisons to ensure that rates are competitive and management is confident the Organization benefits through having access to better insurance information. Transactions are authorized through normal operating procedures.

(11) PLEDGES RECEIVABLE

Pledges receivable as of June 30, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Due:		
Less than one year	\$ 65,089	\$ 71,380
One to five years	85,500	127,004
More than five years	<u>13,625</u>	<u>22,975</u>
	<u>164,214</u>	<u>221,359</u>
Less:		
Discounts to present value	(11,000)	(17,000)
Allowances for uncollectible pledges	<u>(47,000)</u>	<u>(36,000)</u>
	<u>\$106,214</u>	<u>\$168,359</u>

Pledges to be received after June 30, 2012 are discounted at 4.75%.

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(12) DONATED SERVICES, MATERIALS, AND FIXED ASSETS

During the years ended June 30, 2011 and 2010, donated services for the 24 hour line and Samariteens hotline workers 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>2011</u>	<u>2010</u>
Donated goods & services - special events	\$ 23,644	\$ 24,142
Donated goods & services - other	1,182	97,798
Other in-kind donations	<u>\$ 24,826</u>	<u>\$ 121,940</u>
Donated volunteer services	<u>\$1,327,151</u>	<u>\$1,296,851</u>

(13) 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>2011</u>			<u>2010</u>	
	<u>5K Road Race</u>	<u>Marathon</u>	<u>Other</u>	<u>Total</u>	<u>Total</u>
Contributions	<u>\$173,561</u>	<u>\$58,868</u>	<u>\$26,000</u>	<u>\$258,429</u>	<u>\$280,707</u>
Special events revenue	\$ 32,075	\$ -	\$ 5,538	\$ 37,613	\$ 34,668
Direct expenses	<u>(26,431)</u>	<u>(5,976)</u>	<u>(175)</u>	<u>(32,582)</u>	<u>(50,901)</u>
Net revenue	<u>\$ 5,644</u>	<u>\$ (5,976)</u>	<u>\$ 5,363</u>	<u>\$ 5,031</u>	<u>\$ (16,233)</u>
Total contributions and net revenue	<u>\$179,205</u>	<u>\$52,892</u>	<u>\$31,363</u>	<u>\$263,460</u>	<u>\$264,474</u>

(14) INVESTMENTS - FAIR VALUES MEASURED ON A RECURRING BASIS

Fair values of investments measured on a recurring basis are summarized as follows:

	<u>Cost</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
As of fiscal year ending June 30, 2011		
Mutual Funds	\$ 61,870	\$ 55,624
As of fiscal year ending June 30, 2010		
Mutual Funds	\$ 56,589	\$ 42,343

SAMARITANS, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

(15) FINANCIAL CONDITION

As shown in the accompanying financial statements, the Organization showed decreases in net assets of (\$69,661) and (\$47,771) for the fiscal years ending June 30, 2011 and 2010, respectively. The continued declines are reflective of a general economic decline, resulting in increased expenses due to heightened demand for our services, and decreases in charitable contributions.

In response to the aforementioned revenue declines, management decreased expenses by moving to less costly office space and reducing other discretionary spending. Concentrated efforts were made to identify additional funding sources and a full-time grants manager was added to the development staff.

(16) SUBSEQUENT EVENTS

The Organization evaluated subsequent events through October 27, 2011, which is the date the financial statements were available to be issued.

(17) RECLASSIFICATIONS

Certain amounts from the 2010 presentation have been reclassified to conform to the 2011 presentation.