

SAMARITAN COUNSELING CENTER OF
WESTERN PA, INC.

AUDITED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH COMPARATIVE TOTALS
FOR THE YEAR ENDED DECEMBER 31, 2019

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of Samaritan Counseling Center of Western PA, Inc.

I have audited the accompanying balance sheet of Samaritan Counseling Center of Western PA (a nonprofit organization) as of December 31, 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 my audit. I conducted my 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 from 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 Samaritan Counseling Center of Western PA, Inc. as of December 31, 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 Samaritan Counseling Center of Western PA, Inc.'s 2019 financial statements, and my report dated October 16, 2020, expressed an unmodified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountant

August 24, 2021
Sewickley, Pennsylvania

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

BALANCE SHEET
DECEMBER 31, 2020
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
<u>Current Assets</u>		
Cash and Equivalents	\$ 255,930	\$ 49,761
Investments (Note 4)	419,203	514,673
Accounts Receivable, net (Note 2)	79,792	41,900
Prepaid Expenses	9,432	6,278
<u>Total Current Assets</u>	<u>\$ 764,357</u>	<u>\$ 612,612</u>
Leasehold Improvements, Furniture and Equipment		
<u>Less:</u> Accumulated Depreciation of \$99,578 and \$94,733 (Note 3)	7,882	12,727
<u>TOTAL ASSETS</u>	<u>\$ 772,239</u>	<u>\$ 625,339</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 9,561	\$ 7,738
<u>Total Liabilities</u>	<u>\$ 9,561</u>	<u>\$ 7,738</u>
<u>Net Assets</u>		
Without Donor Restrictions:		
Operating	\$ 633,960	\$ 520,787
Fixed Assets	7,882	12,727
<u>Total Without Donor Restrictions</u>	<u>\$ 641,842</u>	<u>\$ 533,514</u>
With Donor Restrictions:		
Purpose Restrictions	36,983	6,378
Perpetual in Nature (Per Analysis in Supplemental Section)	83,853	77,709
<u>Total With Donor Restrictions</u>	<u>\$ 120,836</u>	<u>\$ 84,087</u>
<u>Total Net Assets</u>	<u>\$ 762,678</u>	<u>\$ 617,601</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 772,239</u>	<u>\$ 625,339</u>

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

SAMARITAN COUNSELING CENTER OF WESTERN PENNSYLVANIA, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2020	2019
<u>PUBLIC SUPPORT, REVENUE AND RECLASSIFICATIONS</u>				
<u>Public Support</u>				
Contributions	\$ 68,949	\$ 41,986	\$ 110,935	\$ 66,749
Grants	65,386	-	65,386	86,914
Government Grants - Cares Act (Note 9)	134,800	-	134,800	-
Special Event Revenue	-	-	-	31,451
Less: Direct Costs of Special Events	-	-	-	(8,662)
Net Revenue from Special Events	-	-	-	22,789
Total Public Support	\$ 269,135	\$ 41,986	\$ 311,121	\$ 176,452
<u>Revenue</u>				
Counseling Fees, Net of Insurance Adjustments	787,952	-	787,952	553,729
Education and Other Fees	4,645	-	4,645	11,634
Investment Earnings, Net of Fees	27,710	7,130	34,840	109,131
Total Revenue	\$ 820,307	\$ 7,130	\$ 827,437	\$ 674,494
Net Assets Released from Restrictions and Transfers	12,367	(12,367)	-	-
<u>TOTAL PUBLIC SUPPORT AND REVENUE</u>	\$ 1,101,809	\$ 36,749	\$ 1,138,558	\$ 850,946
<u>EXPENSES</u>				
<u>Program Services</u>				
Counseling Services	627,555	-	627,555	545,688
Total Program Services	\$ 627,555	\$ -	\$ 627,555	\$ 545,688
<u>Supporting Services</u>				
Management and General Fundraising	284,608	-	284,608	281,538
	81,318	-	81,318	64,099
Total Supporting Services	\$ 365,926	\$ -	\$ 365,926	\$ 345,637
<u>TOTAL EXPENSES</u>	\$ 993,481	\$ -	\$ 993,481	\$ 891,325
Change in Net Assets	\$ 108,328	\$ 36,749	\$ 145,077	\$ (40,379)
<u>NET ASSETS - BEGINNING OF YEAR</u>	\$ 533,514	\$ 84,087	\$ 617,601	\$ 657,980
<u>NET ASSETS - END OF YEAR</u>	\$ 641,842	\$ 120,836	\$ 762,678	\$ 617,601

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

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	PROGRAM SERVICES		SUPPORTING SERVICES		TOTALS
	Counseling Services	Management & General	Fundraising	2020	
Salaries & Wages	\$ 478,839	\$ 182,925	\$ 57,479	\$ 719,243	\$ 621,462
Employee Benefits	18,031	40,248	2,608	60,887	59,223
Payroll Taxes	35,469	13,536	4,254	53,259	48,091
TOTAL SALARIES AND RELATED EXPENSES	\$ 532,339	\$ 236,709	\$ 64,341	\$ 833,389	\$ 728,776
Advertising	4,362	8,609	55	13,026	16,272
Office Supplies	11,836	6,834	3,641	22,311	21,271
Accounting and Bookkeeping Fees	-	17,204	-	17,204	20,107
Telephone and Internet	21,448	2,433	-	23,881	22,276
Utilities, Rent and Maintenance	17,527	2,970	-	20,497	17,080
Insurance	10,362	5,915	-	16,277	14,523
Consulting Fees	9,160	899	12,468	22,527	15,130
Accreditation and Licensing	6,168	-	-	6,168	6,360
Bad Debt Expense	2,505	-	-	2,505	7,640
Miscellaneous	-	-	-	-	352
Education and Training	1,128	250	-	1,378	3,663
Postage and Shipping	-	468	-	468	2,284
Bank Fees	7,380	226	469	8,075	8,358
Dues and Subscriptions	125	805	-	930	1,263
TOTAL EXPENSES BEFORE DEPRECIATION	\$ 624,340	\$ 283,322	\$ 80,974	\$ 988,636	\$ 885,355
Depreciation	3,215	1,286	344	4,845	5,970
TOTAL EXPENSES	\$ 627,555	\$ 284,608	\$ 81,318	\$ 993,481	\$ 891,325

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

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	<u>2020</u>	<u>2019</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 145,077	\$ (40,379)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	4,845	5,970
Unrealized (Gains) Losses on Investments	1,762	(63,867)
<u>(Increase) Decrease in Operating Assets:</u>		
Accounts Receivable	(37,892)	47,916
Prepaid Expenses	(3,154)	214
<u>Increase (Decrease) in Operating Liabilities:</u>		
Accounts Payable	1,823	4,207
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>\$ 112,461</u>	<u>\$ (45,939)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Land, Building, and Equipment - Additions	-	-
Investment Proceeds (Purchases)	93,708	64,474
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>\$ 93,708</u>	<u>\$ 64,474</u>
Net Increase (Decrease) in Cash	\$ 206,169	\$ 18,535
<u>CASH - BEGINNING OF YEAR</u>	<u>\$ 49,761</u>	<u>\$ 31,226</u>
<u>CASH - END OF YEAR</u>	<u>\$ 255,930</u>	<u>\$ 49,761</u>

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

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization Background

Founded in 1982, the Samaritan Counseling Center of Western PA, Inc.'s mission is to help individuals and families achieve spiritual, emotional and physical well-being through professional psychological counseling and educational programs using resources of faith.

Tax-Exempt Status

The Samaritan Counseling Center of Western PA, Inc. is recognized as a non-profit organization under Section 501 (c)(3) of the Internal Revenue Code.

Management is responsible for evaluating its uncertain tax positions. Management believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Revenue and Expenses

Revenues and expenses are recorded on the accrual basis of accounting. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Equipment and Depreciation

Land, buildings and equipment are recorded at cost or fair market value at date of gift for donated assets. Depreciation is provided on the straight-line method over the estimated useful lives of the depreciable assets.

Financial Statement Presentation and Contributions

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly.

The financial statements of the organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which 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 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 its 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, where by the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less.

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Donated Services

A number of volunteers have donated significant amounts of their time in the organization's administrative operations. In accordance with requirements of FASB ASC 958 no amounts have been reflected in the financial statements for those services.

Investments

Samaritan Counseling Center of Western PA, Inc. accounts for investments in accordance with FASB ASC 958. Under FASB ASC 958, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values, with gains or losses included in the Statement of Activities. Fair value for publicly traded investments is described below.

FASB ASC 820 establishes a framework for measuring fair value. That 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 in active markets for identical assets or liabilities (Level 1 measurements), secondary priority to significant other observable inputs (Level 2 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

Functional Allocation of Expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These estimates have been allocated based on management's estimates of effort devoted to these activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

Comparative Data

The financial statements include certain 2019 comparative information. With respect to the statement of activities, such prior year information is not presented by net asset class and, in the statement of functional expenses, 2019 expenses by object are presented in total rather than by functional category. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019 from which the summarized information was derived.

2. ACCOUNTS RECEIVABLE

The Organization provides psychological counseling and bills insurance companies for their fees. For 2020 the receivable net of insurance adjustments is \$79,792.

All receivables are deemed by management to be fully collectible. Any bad debts are charged to operations in the year in which the account is determined uncollectible. If the reserve method of accounting for uncollectible accounts were used it would not have a material effect on the financial statements.

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NOTES TO FINANCIAL STATEMENTS

3. LAND, BUILDING AND EQUIPMENT

At December 31, 2020-2019, land, buildings and equipment, which is stated at cost, or fair market value at date of gift for donated assets, consisted of the following:

	<u>2020</u>	<u>2019</u>
Furniture and Equipment	\$ 84,928	\$ 84,928
Leasehold Improvements	22,532	22,532
	<u>\$ 107,460</u>	<u>\$ 107,460</u>
<u>Less: Accumulated Depreciation</u>	<u>99,578</u>	<u>94,733</u>
	<u>\$ 7,882</u>	<u>\$ 12,727</u>

4. INVESTMENTS

Investments in equity securities with readily determinable fair values are carried at fair value. Fair value is based on Level 1 and Level 2 inputs as described in Note 1. The Level 2 input consists of an accounting, of the Organization's funds held, provided by the Pittsburgh Foundation. Cost and fair value of investments at December 31, 2020-2019 were as follows:

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Various Investments held in Charles Schwab Accounts (Level 1)	\$ 230,298	\$ 336,862	\$ 329,900	\$ 436,966
Various Investments held in Pittsburgh Foundation Accounts (Level 2)	82,341	82,341	77,709	77,709
<u>Total</u>	<u>\$ 312,639</u>	<u>\$ 419,203</u>	<u>\$ 407,609</u>	<u>\$ 514,675</u>

Investment return is summarized as follows:

Interest and Dividends	\$ 8,736
Realized and Unrealized Gain (Loss) on Investments	26,104
	<u>\$ 34,840</u>

5. ENDOWMENT DISCLOSURE

As described on the supplemental schedules, the organization has endowment funds which are perpetual in nature. The investment income which is generated from these perpetually restricted net assets will be used for unrestricted operating purposes. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds including funds designated by the Board of Directors to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions. Furthermore, the organization has policies and guidelines for these endowment funds. Changes in the Endowment Net Assets for the year ended December 31, 2020 are detailed in the supplemental information section of this report.

6. PENSION PLAN

The Samaritan Counseling Center of Western PA, Inc. established a defined contribution pension plan covering all eligible employees. The Organization will match 100% of the employee's voluntary contributions up to 3% of gross salary. Total matching contributions made by the Organization for the years ended December 31, 2020 and 2019 were \$12,006 and \$10,474, respectively.

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NOTES TO FINANCIAL STATEMENTS

7. AVAILABILITY AND LIQUIDITY

The organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. As of December 31, 2020, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

	<u>2020</u>	<u>2019</u>
Cash and Equivalents	\$ 255,930	\$ 49,761
Investments	419,203	514,673
Accounts Receivable	<u>79,792</u>	<u>41,900</u>
Total Financial Assets	754,925	606,334
Less: Amounts not available to be used within one year:		
Net Assets with Donor Restrictions	<u>(120,836)</u>	<u>(84,087)</u>
	<u>\$ 634,089</u>	<u>\$ 522,247</u>

8. OPERATING LEASES

The Samaritan Counseling Center of Western PA, Inc. leases its office copier and office space. These leases are accounted for as operating leases with monthly rentals charged to expense as incurred. The future minimum rental commitments under the terms of these leases are as follows:

<u>December 31,</u>	<u>Amount</u>
2021	\$ 11,640
2022	11,640
2023	11,640
2024	10,850
2025	6,900
Thereafter	13,225
<u>Total</u>	<u>\$ 65,895</u>

9. CONTINGENCIES

In December of 2019, a new strain of the coronavirus (COVID-19) spread through China as well as other countries including the United States. The impact of the virus varies from region to region and from day to day, and any significant additional spreading of the virus could adversely affect the organization's operations. The outbreak of the COVID-19 virus is likely to have a further negative impact in 2020 on the global and local economy and, in the future, might impact the organization's financial results in 2020 and beyond. Given the dynamic nature of this outbreak, however, the extent to which the COVID-19 virus impacts the organization's results will depend on future developments, which remain highly uncertain and cannot be predicted at this time.

Additionally, as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) which was enacted on March 27, 2020 by Congress, on April 28, 2020 the organization received \$134,800 forgivable loan from the Paycheck Protection Program (PPP). The loan was forgiven and is included in Government Grants on the Statement of Activities.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through August 24, 2021, which is the date financial statements were available to be issued.

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

DECEMBER 31, 2020

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT ON THE SUPPLEMENTARY INFORMATION

The Board of Directors of
Samaritan Counseling Center of Western PA, Inc.

I have audited the financial statements of Samaritan Counseling Center of Western PA, Inc. as of and for the year ended December 31, 2020, and have issued my report thereon dated August 24, 2021, which contained an unmodified opinion on those financial statements. My audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Certified Public Accountant

August 24, 2021
Sewickley, Pennsylvania

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NET ASSETS WITH DONOR RESTRICTIONS - PURPOSE RESTRICTIONS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Principal Balance 1/1/2020	Reduction of Principal 12/31/2020	Addition to Principal 12/31/2020	Principal Balance 12/31/2020	Disposition of Principal 12/31/2020	Original Source and/or Addition to Principal 12/31/2020	Restriction to use of Principal 12/31/2020	By Whom Restricted
SOAR	\$ -	\$ 8,543	\$ 40,474	\$ 31,931	8,543 - Transfer to Net Assets Without Restrictions	5,000 - Pittsburgh Foundation 5,000 - John Paul Donahue II Charitable Fund 5,000 - N. Graham Standish 25,474 - Various Contributions	To Assist in Opening New Offices and Hiring New Full-Time Staff	Donor
Youth Funds	1,326	1,326	-	-	1,326 - Transfer to Net Assets Without Restrictions	-	To Fund Counseling Sessions for Youth Patients	Donor
Clergy & Congregational Care	5,052	-	-	5,052	-	-	To Fund Counseling Sessions for Clergy and Church Members	Donor
TOTAL	<u>\$ 6,378</u>	<u>\$ 9,869</u>	<u>\$ 40,474</u>	<u>\$ 36,983</u>				

See independent accountant's review report on supplementary information.

SAMARITAN COUNSELING CENTER OF WESTERN PA, INC.

NET ASSETS WITH DONOR RESTRICTIONS - PERPETUAL IN NATURE

FOR THE YEAR ENDED DECEMBER 31, 2020

	Principal Balance 1/1/2020	Reduction of Principal 12/31/2020	Addition to Principal 12/31/2020	Principal Balance 12/31/2020	Disposition of Principal 12/31/2020	Original Source and/or Addition to Principal 12/31/2020	Restriction to use of Principal 12/31/2020	By Whom Restricted
Endowment Fund	\$ 77,709	\$ 3,326	\$ 9,470	\$ 83,853	2,498 - Transfer to Net Assets Without Restrictions 828 - Management Fees	7,958 - Gain on Investments 1,512 - Contribution	Principal to Remain - Income to Temporarily Restricted	Donor
TOTAL	<u>\$ 77,709</u>	<u>\$ 3,326</u>	<u>\$ 9,470</u>	<u>\$ 83,853</u>				

See independent accountant's review report on supplementary information.