Helen Nelson, CPA
Certified Public Accountant

Samaritan Ministry of Greater Washington

FINANCIAL STATEMENTS
and
INDEPENDENT AUDITOR'S REPORT

for the years ended December 31, 2023 and 2022

Samaritan Ministry of Greater Washington

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Independent Auditor's Report

To the Board of Directors and Management
Samaritan Ministry of Greater Washington
1516 Hamilton Street NW
Washington, DC 20011

Opinion

I have audited the accompanying statements of financial position of Samaritan Ministry of Greater Washington (Samaritan Ministry) as of December 31, 2023 and 2022, the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Samaritan Ministry as of December 31, 2023 and 2022, 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

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Samaritan Ministry, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management 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, 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 Samaritan Ministry's ability to continue as a going concern for the period of one year from the date of this report.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, I:

- 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 Samaritan Ministry' 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Samaritan Ministry' ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Helen Nelson, CPA

Hancock, Maryland

June 14, 2024

Samaritan Ministry of Greater Washington
Statements of Financial Position
as of December 31, 2023 and 2022

Assets	2023	2022
Cash and Cash Equivalents	$ 75,267	$ 337,498
Investments	502,424	494,447
Pledges and Accounts Receivable, Net	188,330	189,830
Prepaid Expenses	11,795	10,004
Property and Equipment, Net	1,495,891	1,589,278
Total Assets	**$ 2,273,707**	**$ 2,621,057**

Liabilities and Net Assets

Liabilities		
Accounts Payable and Accrued Expenses	$ 27,209	$ 51,686
Accrued Salaries and Vacation	29,882	29,885
EIDL Loan	150,000	150,000
Mortgage and Construction Loans	640,824	691,557
Total Liabilities	847,915	923,128
Net Assets		
Without Donor Restrictions	1,425,792	1,688,290
With Donor Restrictions	-	9,639
Total Net Assets	1,425,792	1,697,929
Total Liabilities & Net Assets	**$ 2,273,707**	**$ 2,621,057**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington
Statement of Activities
for the year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	TOTAL
Support and Revenue			
Contributions of Cash and Other Financial Assets	$ 953,881		**$ 953,881**
Contributions of Nonfinancial Assets	102,152		**102,152**
Gala Event and Next Step Breakfast	186,690		**186,690**
Government Income	43,047		**43,047**
Program Income	31,834		**31,834**
Investment Income (Loss)	31,367		**31,367**
Released from restrictions	9,639	(9,639)	**-**
Total Support and Revenue	**$ 1,358,610**	**$ (9,639)**	**$ 1,348,971**
Expenses			
Program Services	1,047,555	-	**1,047,555**
Supporting Services			
Management and General	210,277		**210,277**
Fundraising	363,275		**363,275**
Total Supporting Services	573,553	-	**573,553**
Total Expenses	**$ 1,621,108**	**$ -**	**$ 1,621,108**
Change in Net Assets	**$ (262,498)**	**$ (9,639)**	**$ (272,137)**
Net Assets at Beginning of Year	**$ 1,688,290**	**$ 9,639**	**$ 1,697,929**
Net Assets at End of Year	**$ 1,425,792**	**$ -**	**$ 1,425,792**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington
Statement of Activities
for the year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	TOTAL
Support and Revenue			
Contributions of Cash and Other Financial Assets	$ 966,922	$ 13,500	**$ 980,422**
Contributions of Nonfinancial Assets	148,971		**148,971**
Gala Event	112,315		**112,315**
Government Income	87,769		**87,769**
Program Income	8,214		**8,214**
Investment Income (Loss)	25,441		**25,441**
Released from restrictions	6,935	(6,935)	**-**
Total Support and Revenue	**$ 1,356,567**	**$ 6,565**	**$ 1,363,132**
Expenses			
Program Services	885,211	-	**885,211**
Supporting Services			
Management and General	297,388		**297,388**
Fundraising	274,260		**274,260**
Total Supporting Services	571,648	-	**571,648**
Total Expenses	**$ 1,456,859**	**$ -**	**$ 1,456,859**
Change in Net Assets	**$ (100,292)**	**$ 6,565**	**$ (93,727)**
Gain on Merging of Southeast Ministry	**777,095**		**$ 777,095**
Net Assets at Beginning of Year	**$ 1,011,487**	**$ 3,074**	**$ 1,014,561**
Net Assets at End of Year	**$ 1,688,290**	**$ 9,639**	**$ 1,697,929**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington
Statement of Functional Expenses
for the year ended December 31, 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	TOTAL
Personnel Costs	$ 593,448	$ 110,240	$ 189,704	**$ 893,392**
Accounting and Audit	-	38,967	-	**38,967**
Bank Fees	-	13,884	-	**13,884**
Board Development	-	3,399	-	**3,399**
Building Mainenance and Repairs	30,077	476	1,305	**31,858**
Depreciation	68,676	12,757	21,953	**103,386**
Direct Participant Assistance	91,506	-	-	**91,506**
Equipment Maintenance	4,331	805	1,384	**6,520**
Events	2,161	-	75,927	**78,088**
Insurance	13,480	213	585	**14,278**
IT and Communications	2,812	522	17,244	**20,578**
Memberships and Affiliations	7,692	1,429	2,459	**11,580**
Mortgage Interest	31,373	497	1,361	**33,231**
Office and Miscellaneous	19,678	3,655	6,290	**29,624**
Postage	1,367	254	437	**2,058**
Professional Fees	91,524	17,002	33,007	**141,533**
Rent	40,124	635	1,741	**42,500**
Staff Development and Appreciation	11,267	2,093	3,602	**16,962**
Telephone and Internet	10,608	1,971	3,391	**15,970**
Travel	6,138	1,140	1,962	**9,241**
Utilities	21,292	337	924	**22,553**
Total Expenses	**$ 1,047,555**	**$ 210,277**	**$ 363,275**	**$ 1,621,108**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington
Statement of Functional Expenses
for the year ended December 31, 2022

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	TOTAL
Personnel Costs	$ 498,386	$ 92,581	$ 159,316	**$ 750,283**
Accounting and Audit		59,762		**59,762**
Bank Fees		8,882		**8,882**
Board Development		10,560		**10,560**
Building Mainenance and Repairs	20,884	331	906	**22,121**
Depreciation	12,371	2,298	3,955	**18,624**
Direct Participant Assistance	92,901			**92,901**
Equipment Maintenance	3,948	733	1,262	**5,943**
Events	13,478		25,582	**39,060**
Insurance	10,166	161	441	**10,768**
IT and Communications	2,609	485	21,322	**24,416**
Legal Fees		79,106		**79,106**
Memberships and Affiliations	12,000	2,229	3,836	**18,065**
Mortgage Interest	18,109	287	786	**19,182**
Office and Miscellaneous	7,836	1,455	2,505	**11,796**
Postage	1,618	300	517	**2,435**
Professional Fees	110,560	33,038	43,992	**187,590**
Rent	46,023	729	1,998	**48,750**
Staff Development and Appreciation	9,797	1,820	3,132	**14,749**
Telephone and Internet	9,452	1,756	3,021	**14,229**
Travel	3,744	696	1,197	**5,637**
Utilities	11,329	179	492	**12,000**
Total Expenses	**$ 885,211**	**$ 297,388**	**$ 274,260**	**$ 1,456,859**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington
Statements of Cash Flows
for the years ended December 31, 2023 and 2022

Operating Activities		**2023**		**2022**
Change in Net Assets	$	(272,137)	$	(93,727)
Adjustments to Reconcile Change in Net Assets to				
Net Cash Provided (Used) by Operating Activities				
(Increase) Decrease in Pledges and Accounts Receivable		1,500		(168,491)
(Increase) Decrease Prepaid Expenses		(1,791)		(2,047)
Add Depreciation, Not a Cash Expense		103,386		18,624
Increase (Decrease) in Accounts Payable and Accrued Expenses		(24,479)		49,893
Net Cash Provided (Used) by Operating Activities	**$**	**(193,521)**	**$**	**(195,748)**
Investing Activities				
Gain on Merging on Southeast Ministry		-		777,095
Decrease (Increase) in Investments		(7,977)		19,830
Decrease (Increase) in Building and Other Fixed Asset Investments		(10,000)		(1,018,183)
Net Cash Provided (Used) by Investing Activities		**(17,977)**		**(221,258)**
Financing Activities				
Payments made to reduce Loan Amounts		(50,733)		190,469
Net Cash Provided (Used) by Financing Activities		(50,733)		190,469
Net Increase (Decrease) in Cash	**$**	**(262,231)**	**$**	**(226,537)**
Cash at Beginning of Year	**$**	**337,498**	**$**	**564,035**
Cash at End of Year	**$**	**75,267**	**$**	**337,498**

see accompanying notes to financial statements

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note A - Nature of Organization

Samaritan Ministry of Greater Washington (Samaritan Ministry, or the Organization) is an independent non-profit organization incorporated in the District of Columbia in 1985. Samaritan Ministry was organized to serve the charitable and educational needs of the Greater Washington DC community. This is accomplished by providing support and assistance to, and fostering growth and increased self-reliance among, individuals and families who are homeless, in poverty, unemployed or otherwise in need and who seek to set goals and take next steps to meet those goals to achieve a more sustainable, purposeful life. In 2016, Samaritan Ministry acquired a STRIVE DC, Inc., a non-profit organization, and assumed operations to provide enhanced job-readiness training under the model developed by and licensed from STRIVE International. In 2022, Samaritan Ministry acquired The Southeast Ministry (SEM), with programs addressing adult education, poverty, illiteracy, and violence. A majority of Samaritan Ministry's revenue consists of contributions from churches, corporations, and individuals.

Note B – Accounting Policies

Basis of accounting
Samaritan Ministry follows the accrual method of accounting, which follows accounting principles generally accepted in the United States of America. Revenue is recognized when earned and expenses are recognized when the obligation is incurred.

Basis of presentation
The financial statements of the Samaritan Ministry are presented in accordance with generally accepted accounting principles for nonprofit organizations. Under those principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions represent resources that are not subject to donor-imposed restrictions and are available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. These unrestricted net assets are then further categorized as either designated for specific purposes by the board, or undesignated.

Net Assets With Donor Restrictions represent resources restricted by donors for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions. The organization's unspent contributions are included in

this class if the donor limited their use. When a donor's restriction is satisfied, either by using the resources or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Classification of Transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses are reported as decreases in net assets without donor restrictions.

Use of Estimates

The preparation of financial statements in conformity 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and their functional allocation during the reporting period. Actual results could differ from those estimates.

Cash

Samaritan Ministry, Inc. classifies all highly liquid investments as cash equivalents. At December 31, 2023 and 2022, cash and cash equivalents included bank account deposits and the funds held in cash in investment accounts.

Pledges and Accounts Receivable

Pledges and accounts receivable include outstanding pledges made by donors, and an amount due from another organization due as a result of a merger. No interest is accrued on receivables. Receivables are adjusted by an allowance for doubtful accounts, as estimated by management, based on aging of the receivables and historical experience. Additional information on receivables is presented in Note J.

Property and equipment

Property and equipment are recorded at cost as of the date of acquisition or fair value as of the date of contribution. Depreciation is provided over the estimated useful lives of the related assets on a straight-line basis over the expected life of the assets. Buildings and improvements are depreciated over a period of 40 years, and equipment and furniture are depreciated over a period of 5 – 10 years. Repairs and maintenance which do not significantly add to the value of assets are expensed as incurred. Additional information is in Note L.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Revenue Recognition

Unconditional promises to give are recorded as contributions at their net realizable value in the year in which the promise is made. All contributions are available for unrestricted purposes unless specifically restricted by the donor. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

The Organization reports contributions as restricted support if they are received with donor stipulations that limit use of the assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with restrictions are reclassified to net assets without restrictions in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Contributions of Nonfinancial Assets

The Samaritan Ministry receives contributions of nonfinancial assets. These in-kind donations of materials and services are valued at fair market value at the date of donation. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of goods are recognized when they are able to be of use to the Samaritan Ministry and have value. Additional details on these in-kind donations are provided in Note P.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and 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. Management and general 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. Costs common to multiple functions have been allocated among the various functions benefited according to management's best estimate of actual costs.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note C – Income Tax Status

The Samaritan Ministry is an exempt organization operating under Section 501(c)(3) of the Internal Revenue Code, and is exempt from Federal and State taxes on any net income derived from activities related to its exempt purpose. This code section enables the Samaritan Ministry to accept donations that qualify as charitable contributions to the donor. The Organization is taxed on net income from any unrelated business activities. The Samaritan Ministry did not have any unrelated business income in the years ended December 31, 2023 and 2022, and thereby did not recognize any income tax liability for those periods.

Accounting principles generally accepted in the United States of America require the Organization to evaluate uncertain tax positions taken. The financial statement effect of a tax position is recognized when the tax position is more likely than not, based on technical merits, to be sustained upon examination by the Internal Revenue Service. The Samaritan Ministry has analyzed its tax position for the years ended December 31, 2023 and 2022, and has determined that there were no significant uncertain tax positions that qualify for either recognition or disclosure in the accompanying financial statement, or that might have any effect on its tax-exempt status.

Note D – Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of December 31, are as follows:

	2023	2022
Financial Assets:		
Cash and Cash Equivalents	$ 75,267	$ 337,498
Accounts and Contributions Receivable, net	188,330	189,830
Total Financial Assets	$ 263,497	$ 527,328
Less financial assets held to meet donor-imposed restrictions	0	(9,639)
Amount available for general expenditures within one year	$ 263,497	$ 517,689

As part of its liquidity plan the Organization has a Line of Credit available. Further information on the line if credit is in Note F.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note E – Concentrations

The Samaritan Ministry maintains bank accounts at a bank insured by the Federal Deposit Insurance Corporation (FDIC) up to a total of $250,000. On December 31, 2022 the Organization held funds in excess of the FDIC limit, for a total uninsured amount of $41,734. Bank holdings as of December 31, 2023 did not exceed the FDIC limit.

The Samaritan Ministry also maintains a couple of investment accounts without investment protection by the Securities Investor Protection Corporation (SIPC).

The Samaritan Ministry monitors risk and does not anticipate any credit losses and has not experienced any such losses in any holdings at either the bank or the brokerage.

Note F – Line of Credit

The Samaritan Ministry of Greater Washington maintains a line of credit account at the bank in which it holds deposits. The full amount available to the organization is $250,000, and it carries an interest rate of prime plus 6.25%. Required payments are for interest only. During 2023, the Organization borrowed funds from the line of credit, and repaid those funds, and as of both December 31, 2023 and December 31, 2022 the balance of the line of credit account was $0.

Note G – Retirement Plan

The Samaritan Ministry of Greater Washington 403b Plan (the “Plan”) is maintained for the benefit of Samaritan Ministry’s employees. Employees are eligible for an employee match after six months of service. Employer match is determined by the board of directors on an annual basis up to a certain level per participating employee. There is no minimum age for participation in the Plan but an employee must have six months of service to participate. Samaritan Ministry contributed $17,340 and $22,732 to the Plan for the benefit of employees during the years ended December 31, 2023 and 2022, respectively. Employees are immediately vested in their voluntary contributions and in Samaritan Ministry’s contributions.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note H – Investments and Fair Value Measurements

The Samaritan Ministry reports fair value measures of its assets using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by accounting principles generally accepted in the United States of America, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset's measurement within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

- *Level 1.* Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

- *Level 2.* Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include

    - quoted prices for similar assets or liabilities in active markets;

    - quoted prices for identical or similar assets in markets that are not active;

    - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and

    - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

- *Level 3.* Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value if observable inputs are not available.

Samaritan Ministries' bank accounts are considered to be Level 1.

The Organization holds an investment account in a pooled fund with other churches and church related organizations, and the majority of the investments in this Protestant Episcopal Equities fund are publicly held equities. The fair values of these investments have been estimated using the net asset value (NAV) per share of the investment. The Organization has no unfunded commitments to these investments. The Organization is permitted to make complete or partial redemptions of its shares at NAV by giving written notice of the withdrawal to the investment's administrator and, therefore, these investments are considered to be Level 2 items. The value of the holdings as of December 31, 2023 and 2022 were $52,019 and $44,042, respectively.

A second investment holding, valued in the Statement of Financial Position at $450,405 for both years, is considered to be Level 3 since market value is not readily determinable, and is further described in Note I.

Note I – Limited Partnership Interest

On November 2, 2010, Samaritan Ministry received a donation of interest in a real estate partnership from an anonymous donor. The partnership interest was in Fourth Prairie Shores Apartments, an Illinois limited partnership, which owns and operates a 334-unit apartment located at 2851 South Marin Luther King Drive in Chicago. Later the transferred title to the land, building and future rents to a new entity, Fourth Prairie Shores, LLC. On January 2019, Prairie Shores Apartments, LLC (the "Company") and four other limited partnerships that serve as general partners consolidated to form NewCo and PS Inc.

As a result of the mergers, the partners of the partnership and the other partnerships will exchange their partnership interests for limited liability company interests of NewCo and PS Inc. Currently, Samaritan Ministry holds 1.1063% interest in the Company. Samaritan Ministry initially recorded its limited partnership investment at the fair value at the date the investment was donated and thereafter carries such investments at the lower of historical donated value or fair value. As of December 31, 2023 and 2022, the value of the interest is stated at $450,405. Distributions and partnership income are recognized as interest and dividend income from the limited partnership.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note J – Pledges and Accounts Receivable

The Samaritan Ministry held a net total of $188,330 and $189,830 in pledges and accounts receivable as of December 31, 2023 and 2022, respectively. Details on these outstanding pledges and accounts receivable are as follows:

	2023	2022
Pledges receivable	$ 187,523	$41,958
Accounts receivable	2,307	12,747
Due from Southeast Ministry		144,155
Allowance for doubtful accounts	(1,500)	(9,030)
Total net collectible	$ 188,330	$189,830

Note K – Southeast Ministry Merger

In November 2022 Samaritan Ministry held a special meeting of the board devoted to the review and approval of the merger of the two organizations – the Samaritan Ministry of Greater Washington and the Southeast Ministry (SEM). It is a process that had started earlier in 2022, and after extensive research and dialogue, was finalized in November. Both organizations have very similar missions. The assets and liabilities of SEM were absorbed by Samaritan Ministry. During the year ended December 31, 2022, Samaritan Ministry recognized a gain in net assets as follows:

Accounts Receivable	$ 1,943
SEM Building	80,624
Accumulated Depreciation, building	(50,131)
SEM Building Improvements	879,499
Accumulated Depreciation, building improvements	(97,257)
SEM Furniture and Equipment	77,285
Accumulated Depreciation, furniture and equipment	(57,247)
SEM Land	19,779
Accrued Liabilities SEM	(902)
Construction Loan SEM	(208,757)
Due from SEM	144,155
Pass through of net income	(11,896)
Adjustment of net assets	$777,095

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note L – Property and Equipment

With the merger with SEM as described in Note K, property and equipment owned by Samaritan Ministry as of December 31, 2023 and 2022 consisted of the following:

	2023	2022
Land	$ 284,581	$ 284,581
Buildings and Improvements	1,495,520	1,495,520
Furniture and Equipment	303,300	306,333
Total Property and Equipment	$2,083,401	$2,086,434
Accumulated Depreciation and Amortization	(587,510)	(497,156)
Property and Equipment, net value	$1,495,891	$1,589,278

Depreciation of property and equipment for the years ended December 31, 2023 and 2022 was $103,386 and $18,624 respectively.

Note M – Loans Payable

In June 2009, Samaritan Ministry entered into an agreement to borrow $495,000 to purchase property located at 1516 Hamilton Street, NW Washington, DC. In December 2020 the principal balance was refinanced and is scheduled to mature in November 2030. The loan is secured by the financed property. Principal and interest payments of $3,122 are due monthly based on a 10 year amortization schedule with a balloon payment of outstanding interest and principal due at maturity.

Interest on the loan accrues at 4.5% per annum for the first five years of the loan and thereafter, accrues at the five year US Treasury rate plus 350 basis points, with a minimum of no less than 4.5% per annum. As of December 31, 2023 the outstanding principal balance was $475,370, and on December 31, 2022 the outstanding principal balance was $482,800.

In November 2022, Samaritan Ministry assumed a construction loan held by Southeast Ministry (SEM). The loan is secured by the property formerly held by SEM, and now held by Samaritan Ministry, and it is a 3 year adjustable loan. At the end of both 2023 and 2022 the interest rate was 4.25%. The principal balance as of December 31, 2023 was $175,453 and as of December 31, 2022 the principal balance was $208,757. Monthly principal and interest payments are $3,251.

In November 2020, Samaritan Ministry received an Economic Injury Disaster Loan (EIDL) in the amount of $150,000 with the US Small Business Administration (SBA), the lender. Interest on the loan accrues at a rate of 2.75%. As of both December 31, 2023 and December 31, 2022 the outstanding balance of the EIDL was $150,000. Payments on the loan began in October 2023, and payments are initially being applied to accrued and current interest.

Note N – Net Assets

Donor restrictions on net assets can be either purpose-driven or time restricted. The Samaritan Ministry held no net assets with donor restrictions as of December 31, 2023, but did hold net assets with donor restrictions as of December 31, 2022, as follows:

December 31, 2022

Program Restricted Funds:	
Federal Emergency Management Agency – for food for clients	$ 9,639
Total Net Assets without Donor Restrictions	$ 9,639

Note O – Lease

Samaritan Ministry leases two properties for its programs. One lease is held with St. Philip's Episcopal Church for $1,250 per month, and the other with Trinity Episcopal Church for $2,500 per month. The agreement with St. Philip's was signed in 2005 for an initial amount of $825 per month, and it was most recently renewed for $1,250 per month. The most recent agreement with Trinity Episcopal Church was dated July 2021 and allows for 90-day notice for termination. Neither requires a long-term commitment, and as such, no long-term lease liability, nor related right-of-use asset, is recognized in these financial statements. Total rental expense paid in 2023 was $42,500 and in 2022 it was $48,750.

Samaritan Ministry of Greater Washington

Notes to Financial Statements
for the years ended December 31, 2023 and 2022

Note P – Contributions of Non-Financial Assets

The Samaritan Ministry receives contributions of non-financial assets. These in-kind donations of materials and services were valued at their fair market value at the date of donation, with the value based on what would be received for selling similar products in the United States.

In-kind donations in 2023 consisted of the following:

	Revenue Recognition	Utilization/ Monetization	Donor Restrictions
Food, clothing, gift cards	$ 36,703	provided to participants	none
Computers	9,141	used by participants, staff	none
Items donated for auction	36,751	sold during fundraiser event	none
Reception costs	8,557	used for fundraiser event	none
Videographer services	2,550	used at Gala, breakfast	none
Cleaning services	450	used for Organization	none
HR services	8,000	used by Organization	none
Total	$ 102,152		

In-kind donations in 2022 consisted of the following:

	Revenue Recognition	Utilization/ Monetization	Donor Restrictions
Food, clothing, gift cards	$ 52,366	provided to participants	none
Videographer services	5,000	used at Gala	none
Legal services	79,105	used for merger	none
HR services	12,500	used by Organization	none
Total	$ 148,971		

Note Q - Subsequent Events

The Samaritan Ministry has evaluated subsequent events through June 14, 2024, which is the date the financial statements were available to be issued.