THE SAMARITAN WOMEN, INC., dba
INSTITUTE FOR SHELTER CARE
LA GRANGE, KENTUCKY

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

HICKS & ASSOCIATES CPAS, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

C O N T E N T S

Hicks & Associates CPAs, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Samaritan Women, Inc.
La Grange, Kentucky

Opinion

We have audited the accompanying financial statements of The Samaritan Women, Inc. (Organization) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the change 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Organization'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 Organization'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.

Hicks & Associates CPAs, PLLC

Lexington, Kentucky

April 28, 2025

THE SAMARITAN WOMEN, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 473,771
Investments	33,065
Accounts receivable	209,279
Prepaid expenses	10,135
TOTAL CURRENT ASSETS	726,250
PROPERTY AND EQUIPMENT	
Vehicles	4,000
Accumulated depreciation	(4,000)
PROPERTY AND EQUIPMENT, NET	-
OTHER ASSETS	
Cash and cash equivalents - restricted	234,941
Grants receivable - restricted	250,000
TOTAL OTHER ASSETS	484,941
TOTAL ASSETS	$ 1,211,191
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	$ 58,793
Payroll liabilities	4,476
Deferred revenue	21,888
TOTAL CURRENT LIABILITIES	85,157
NET ASSETS	
Without donor restrictions	641,093
With donor restrictions	484,941
TOTAL NET ASSETS	1,126,034
TOTAL LIABILITIES AND NET ASSETS	$ 1,211,191

See Notes to Financial Statements.

THE SAMARITAN WOMEN, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	$ 219,139	$ 165,763	$ 384,902
Foundation grants and awards	78,438	155,354	233,792
In-kind support	72,000	-	72,000
Interest income	41,697	-	41,697
Investment income, net	772	-	772
Management fee	5,100	-	5,100
Other income	10,938	-	10,938
Program fees	275,114	-	275,114
Net assets released from restrictions	448,491	(448,491)	-
TOTAL SUPPORT AND REVENUE	1,151,689	(127,374)	1,024,315
EXPENSES			
Program services	1,365,498	-	1,365,498
Management and general	182,270	-	182,270
Fundraising	142,324	-	142,324
TOTAL EXPENSES	1,690,092	-	1,690,092
CHANGE IN NET ASSETS	(538,403)	(127,374)	(665,777)
NET ASSETS, BEGINNING OF YEAR	1,179,496	612,315	1,791,811
NET ASSETS, END OF YEAR	$ 641,093	$ 484,941	$ 1,126,034

See Notes to Financial Statements.

THE SAMARITAN WOMEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL EXPENSES
EXPENSES				
Salaries	$ 582,739	$ 103,581	$ 104,371	$ 790,691
Payroll tax	45,292	8,050	8,112	61,454
Employee benefits	6,030	1,072	1,080	8,182
	634,061	112,703	113,563	860,327
Advertising	6,422	1,976	1,482	9,880
Bank charges	277	3,190	-	3,467
Contract services	111,041	1,306	18,289	130,637
Dues and subscriptions	-	1,101	1,241	2,342
Facilities and equipment	3,401	2,673	-	6,074
Insurance	13,036	7,484	3,621	24,141
Interest	-	1,518	-	1,518
Meals and entertainment	6,496	3,346	-	9,842
Out of Darkness Columbus	164,900	-	-	164,900
Professional services	13,844	10,136	742	24,722
Rent	54,000	18,000	-	72,000
Scholarships	119,935	-	-	119,935
Supplies	1,036	1,144	1,393	3,573
Taxes and licenses	4,776	1,592	-	6,368
Technology	169,172	7,049	-	176,221
Training and development	1,827	577	-	2,404
Travel and meetings	57,132	7,308	1,993	66,433
Utilities	4,140	1,168	-	5,308
TOTAL EXPENSES	$ 1,365,498	$ 182,270	$ 142,324	$ 1,690,092

See Notes to Financial Statements.

THE SAMARITAN WOMEN, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in total net assets	$ (665,777)
Adjustments to reconcile change in total net assets to net change in cash from operating activities:	
Interest and dividends reinvested	(254)
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	174,554
Grants receivable	250,000
Prepaid expenses	1,774
Increase (decrease) in:	
Accounts payable and accrued expenses	(14,575)
Payroll liabilities	(40,212)
Deferred revenue	(11,462)
NET CHANGE IN CASH FROM OPERATING ACTIVITIES	(305,952)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(305,952)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,014,664
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 708,712
Cash paid for interest during the year	$ 1,518

See Notes to Financial Statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Samaritan Women, Inc., herein referred to as the Organization, is a nonstock, nonprofit organization formed in 2007 in Baltimore, Maryland. The Organization is a national Christian organization providing restorative care to survivors and bringing about an end to domestic human trafficking through awareness, prevention, and advocacy.

The Organization previously operated transitional and restorative shelter programs for women recovering from domestic human trafficking with emphasis on life-rebuilding, personal accomplishments, social re-entry, and spiritual reconciliation.

In 2019, the Organization began phasing down its residential programs. In 2022, the Organization rebranded as The Institute for Shelter Care and moved its headquarters from Maryland to Kentucky. The Organization launched the National Case Management System (NCMS) to consistently and accurately collect and report shelter data for program evaluation and improvement. The Organization continues to focus on equipping shelter programs by offering training (ShelterU) and resources, serving victims of sexual exploitation and conducting national research to improve our nation's response to victim care.

Basis of Financial Statements

The Organization prepares its financial statements on the accrual basis of accounting whereby revenue is recognized as earned and expenses are recorded as incurred. The Organization is required to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions represent the portion of net assets that are not subject to donor-imposed restrictions. Such net assets are available for use at the discretion of management and/or the Board of Directors for general operating purposes.

Net assets with donor restrictions represent the portion of net assets that are subject to donor-imposed restrictions. Such restrictions are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor; or the restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could vary from the estimates that were used.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less and not held within the investment portfolio to be cash and cash equivalents.

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total in the statement of cash flows as of December 31, 2024.

Cash in bank:	
Unrestricted	$473,771
Restricted	234,941
Total cash and cash equivalents	$708,712

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statements of financial position and activities.

Accounts Receivable

Accounts receivable are uncollateralized obligations and generally require payment within thirty days from the invoice date. Payments of accounts receivable are applied to the specific invoices identified on the grantor’s remittance advice or, if unspecified, to the earliest unpaid invoices. The allowance for expected credit losses is based on management’s assessment of the collectability of specific accounts and the aging of the accounts receivable. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for expected credit losses. No allowance for expected credit losses is provided for accounts receivable because management does not deem it necessary based on historical collection experience. The balance of accounts receivable as of the beginning and end of the year was $383,833 and $209,279, respectively.

Grants Receivable

Grants receivable represents funds earned and/or awarded in accordance with the grant requirements but not yet received. The balance of grants receivable as of the beginning and end of the year was $500,000 and $250,000, respectively.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property and Equipment

Property and equipment are recorded at cost if purchased, or fair value on the date of the gift, if donated. The Organization capitalizes assets acquired for $2,500 or more. These assets are depreciated over their estimated useful lives using the straight-line method. Depreciation expense for the year ended December 31, 2024 was $0.

As of December 31, 2024, property and equipment consisted of the following:

Vehicles	$ 4,000
Less: accumulated depreciation	(4,000)
Property and equipment, net	$ -

Compensated Absences

Employees of the Organization are entitled to paid compensated absences, depending on job classification, length of service and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the financial statements. The Organization’s policy is to recognize the cost of compensated absences when actually paid.

Deferred Revenue

The Organization, on occasion, receives fees for its training and subscriptions in advance. The funds are deferred and recognized on a straight-line basis over the subscription term. The balance of deferred revenue as of the beginning and end of year was $33,350 and $21,888, respectively.

Revenue Recognition – Contributions, Grants, and Other Revenue

Contributions are defined as voluntary, non-reciprocal transfers. Unrestricted contributions are recognized as support when received or pledged, if applicable. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. 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.

The Organization acts as a fiscal sponsor on behalf of a non-exempt entity wherein donations flow through the Organization on behalf of the non-exempt entity. The Organization subsequently passes the funds on to a third organization. In exchange for these services, the Organization retains a management fee of 3% of the total donations collected. For the year ended December 31, 2024, total contribution revenue related to this agreement was $164,900 and management fee revenue recognized was $5,100.

Grant revenue is deemed to be earned and reported when awarded. On occasion, the Organization receives grant revenues which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses and grant revenues are recognized as the conditions are met.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenue Recognition – Contributions, Grants, and Other Revenue – continued

Program fees income consists of fees for classroom-based training events, subscription fees for ShelterU, the online learning platform, the National Case Management System (NCMS) database as well as conference registration fees. Class-room based training fees are recorded at the time of the purchase with income deferred for events which have not yet taken place as of year-end. Subscription fees are recorded on a straight-line basis over the subscription period. Any funds paid in advance are deferred and recorded as earned.

Donated Facilities and Services

Donated services are recognized as contributions in accordance with GAAP, as the management of the Organization believes such services require specialized skills and would otherwise be purchased. Donated services and facilities, including the donated use of office space, are recognized as contributions and expenses at their estimated fair value on the date of the donation. For the year ended December 31, 2024, in-kind contributions and in-kind rent expense totaled $72,000.

Advertising Costs

The Organization expenses advertising costs as incurred. Advertising expense for the year ended December 31, 2024 was $9,880.

Functional Expenses

The costs of program and supporting services activities have been summarized in the statement of activities. The statement of functional expenses presents the natural classification of detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supported services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied and reviewed annually by management.

Leases

Lease payments for leases with a term of twelve months or less are expensed on a straight-line basis over the term of the lease with no lease asset or liability recognized.

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is, however, subject to income taxes on "unrelated business income", of which management has determined there was none for the year ended December 31, 2024.

As of December 31, 2024, the Organization has no uncertain tax positions that qualify for disclosure in the financial statements. Tax years still open under federal and state statute of limitations remain subject to review and change.

NOTE B - NET ASSETS

Net Assets Without Donor Restrictions:

Total net assets without donor restrictions as of December 31, 2024 were $641,093.

Net Assets With Donor Restrictions:

Total net assets with donor restrictions as of December 31, 2024 were $484,941.

Net assets with donor restrictions as of December 31, 2024 are restricted for the following purposes:

NCMS support	$199,510
Training for direct care staff	211,167
Meetings & conferences	74,264
Total	$484,941

NOTE C – INVESTMENTS AND FAIR VALUES

Investments consist of a money market fund. The Organization records investments at fair value. The fair value hierarchy is used to prioritize the inputs of valuation techniques used to measure fair value for assets and liabilities carried at fair value on the statement of financial position. The inputs are evaluated and an overall level for the measurement is determined. This overall level is an indication of the market observability of the fair value measurement.

The Organization uses a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1 – Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 – Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Investments are stated at market value which is approximate to cost and are considered available for sale. Income derived from investments is accounted for in net assets without donor restrictions.

Level 1 investment information as of December 31, 2024:

	FMV	Cost	Unrealized Gain (Loss)
Money market	$33,065	$33,065	$ -

NOTE C – INVESTMENTS AND FAIR VALUES – CONTINUED

Summarized below is the net investment return for the year ended December 31, 2024:

Interest and dividends, net	$254
Total net investment return	$254

NOTE D – RETIREMENT PLAN

The Organization provides a 401k retirement benefit plan for all full-time employees. A full-time employee is eligible to participate after three months of employment. The Organization does not make matching contributions.

NOTE E – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures within one year of the December 31, 2024 statement of financial position date comprise the following:

Financial assets at year-end:	$1,201,056
Less those unavailable for general expenditures within one year:	
Cash and cash equivalents – restricted	(234,941)
Grants receivable - restricted	(250,000)
Financial assets available to meet cash needs for general expenditure within one year	$ 716,115

As part of the Organization's liquidity management, financial assets are structured to be available as its general expenditures, liabilities, and other obligations come due.

NOTE F – CONCENTRATION OF CREDIT RISK

The Organization has a concentration of credit risk in that it periodically maintains cash deposits in a single financial institution in excess of amounts insured by the FDIC. The Organization has not experienced any losses on such accounts and does not believe that it is subject to significant credit risk related to the accounts.

NOTE G – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2024, the Organization received the free use of a residential property owned by the Executive Director, which was utilized as office space. As a result, the Organization recorded in-kind contributions and rent expense of $72,000. The arrangement is considered a related party transaction as the Executive Director is a key management personnel of the Organization.

NOTE H – EMPLOYEE RETENTION CREDIT

On March 27, 2020, Congress passed the CARES Act, which contained the Employee Retention Credit (ERC), a refundable payroll tax credit available to employers that have experienced hardship in their operations due to COVID-19. During 2023, the Organization filed ERC claims for the last three quarters in the year ended December 31, 2020 and the first three quarters in the year ended December 31, 2021 for an aggregate credit amount of $378,583.

The Organization recorded the credit as accounts receivable and revenue as of and for the years ended December 31, 2020 and 2021 (see Note I – Prior Period Restatements). The Organization received $183,304 of the credit along with $41,170 in interest during the year ended December 31, 2024. The balance of the receivable as of December 31, 2024 is $195,279.

NOTE I – PRIOR PERIOD RESTATEMENTS

During 2024, management determined that cash and payroll liabilities were understated by $30,185 for the final pay period of 2023.

For the year ended December 31, 2024, management determined that accounts receivable as of December 31, 2023 was understated by $378,583 for Employee Retention Credit (ERC) funds received during 2024 and expected during 2025 that were intended for the years ending December 31, 2020 and 2021. The Organization utilized a consulting group to determine eligibility, calculate, and file for the ERC and thus determined that accounts payable as of December 31, 2023 was understated by $54,187 for consultant fees. The effects of the prior period restatements have been included in the beginning net assets for the year ended December 31, 2024.

The restatements had the following effects on the previously issued December 31, 2023 financial statements:

	Originally Reported	Restated Amount
Cash and cash equivalents - unrestricted	$ 872,164	$ 902,349
Accounts receivable	$ 5,250	$ 383,833
Total assets	$1,534,449	$1,943,217
Accounts payable	$ 19,181	$ 73,368
Payroll liabilities	$ 14,503	$ 44,688
Total liabilities	$ 67,034	$ 151,406
Net assets without donor restrictions	$ 855,100	$1,179,496
Total net assets	$1,467,415	$1,791,811
Statement of Cash Flows – ending cash	$ 984,479	$1,014,664

NOTE J – DATE OF MANAGEMENT’S REVIEW

The Organization’s subsequent events have been evaluated by management through April 28, 2025, which is the date the financial statements were available to be issued.