

HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010

ASSETS

Current Assets:

Cash	\$	190,901
Certificates of Deposit		305,326
Grants receivable		<u>334,955</u>
Total Current Assets		<u>831,182</u>

Property and Equipment:

Computer software		558,128
Machinery and equipment		94,907
Less: accumulated depreciation		<u>(633,047)</u>

Net Property and Equipment		<u>19,988</u>
Total Assets	\$	<u><u>851,170</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	240,737
Accrued payroll liabilities		<u>223</u>

Total Current Liabilities		<u>240,960</u>
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Total Liabilities		<u>240,960</u>
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Net Assets:

Temporarily restricted		49,498
Unrestricted		<u>560,712</u>

Total Net Assets		<u>610,210</u>
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Total Liabilities and Net Assets	\$	<u><u>851,170</u></u>
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The accompanying notes are an integral part of these financial statements.

HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Unrestricted	Temporarily Restricted	Total
Revenue and support			
Donations	\$ 62,022	\$ -	\$ 62,022
Contract revenue	364,414	-	364,414
Other revenues	16,377	-	16,377
Interest income	8,919	-	8,919
HRSA	-	223,742	223,742
DHR	-	25,500	25,500
DCH	-	505,244	505,244
Central Georgia Regional Health Summit	-	61,000	61,000
Georgia Cancer Coalition	-	225,000	225,000
Family Connection Partnership	-	45,000	45,000
DHHS/NOAH	-	7,500	7,500
RCCE	-	37,923	37,923
Other Contributed Support	-	549,032	549,032
Net assets released from restriction	1,725,429	(1,725,429)	-
	<u>2,177,161</u>	<u>(45,490)</u>	<u>2,131,671</u>
Expenses			
Program services	2,035,039	-	2,035,039
Supporting services	124,486	-	124,486
	<u>2,159,525</u>	<u>-</u>	<u>2,159,525</u>
Increase (Decrease) in Net Assets	17,636	(45,490)	(27,854)
Net Assets - Beginning of Year, as restated	<u>543,076</u>	<u>94,988</u>	<u>638,064</u>
Net Assets - End of Year	<u>\$ 560,712</u>	<u>\$ 49,498</u>	<u>\$ 610,210</u>

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

HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Cash Flows from Operating Activities:

Contributed Support Received:	
Unrestricted support	\$ 442,813
Restricted support	1,299,113
Interest received	8,919
Cash Paid For:	
Salaries and benefits	(1,059,237)
Operating expenses	(915,162)
Net Cash Provided by (Used for) Operating Activities	(223,555)

Cash Flows from Capital and Related Financing Activities:

Purchase of property, plant, and equipment	(10,481)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(10,481)

Cash Flows from Investing Activities:

Short-term investments earnings	225,809
Net Cash Used in Investing Activities	225,809

Net Increase (Decrease) in Cash and Cash Equivalents (8,227)

Cash - Beginning of year 199,129

Cash - End of year \$ 190,901

Reconciliation of Increase in Net Assets to
Net Cash Provided by Operating Activities:

Increase (Decrease) in net assets \$ (27,854)

Adjustments to reconcile increase (decrease) in net assets
to net cash provided by operating activities:

Depreciation	15,343
(Increase) decrease in grants receivable	(285,839)
Increase (decrease) in accounts payable	169,559
Increase (decrease) in accrued liabilities	223
Increase (decrease) in deferred revenue	(94,988)
	(94,988)

Total Adjustments (195,702)

Net Cash Provided by Operating Activities \$ (223,555)

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

HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Program Services	Supporting Services	Total
Personnel:			
Care managers	\$ 279,598	\$ -	\$ 279,598
Management	243,399	-	243,399
Support	219,980	-	219,980
Other personnel expense	316,484	-	316,484
Bad Debt	5,000	-	5,000
Business planning	44,392	-	44,392
Communications	24,999	-	24,999
Equipment	6,694	-	6,694
Depreciation	15,343	-	15,343
Education	39,285	-	39,285
Furniture & fixtures	2,461	820	3,281
Information technology	17,010	-	17,010
Marketing	75,775	25,258	101,033
Meetings expense	22,025	7,341	29,366
Miscellaneous indirect costs	103,016	34,339	137,355
Office supplies	10,690	3,564	14,254
Other development	227,029	45,243	272,272
Postage	2,461	821	3,282
Printing & publications	8,949	-	8,949
Professional fees	70,527	-	70,527
Project development	122,022	-	122,022
Rent	107,770	-	107,770
Travel	48,828	-	48,828
Utilities	21,302	7,100	28,402
Total Expenses	<u>\$ 2,035,039</u>	<u>\$ 124,486</u>	<u>\$ 2,159,525</u>

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

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NOTES TO THE FINANCIAL STATEMENTS

HEALTH CARE CENTRAL GEORGIA, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Health Care Central Georgia, Inc. (the “Organization”) is a nonprofit organization established in 2001. The Organization is seeking innovative health solutions and providing compassionate advocacy for people financially compromised by their medical needs, while reducing the burdens on local health providers. The mission is regional integration of whole person healthcare. The vision is better health for all people through communities working together. Its stated purpose is to promote regional integration of whole person healthcare for the uninsured.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Financial Statement Presentation

The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) as set forth in Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*, dated June 1993. Accordingly, net assets are reported in the following three classes: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Net assets of the temporarily restricted class are created only by donor-imposed or contract restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Certificates of Deposit

For the fiscal year ended June 30, 2010, investments consisted entirely of certificates of deposit.

Income Taxes

Health Care Central Georgia, Inc. is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

(CONTINUED)

Property and Equipment

Property and equipment acquisitions are recorded at cost, estimated cost, or if donated, at fair market value on the date of donation. The organization defines capital equipment as items that cost over \$5,000 per unit and have a life expectancy of at least one year. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method.

Equipment	5 years
Software	3 years

Revenue Recognition

Revenues are displayed in two broad categories. Earned revenues represent fees earned or revenue generated through the performance or provision of services.

The Organization recognizes all contributed support received as income in the period received. Contributed support is reported as unrestricted or as restricted, depending upon the existence of donor stipulations that limit the use of the support. When a donor 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.

In-kind Support

The organization receives various types of in-kind support, including contributed services. 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 donation. Contributions of tangible assets are recognized at fair market value when received. Any amounts reflected as in-kind support are offset by like amounts included in expenses. For the fiscal year ended June 30, 2010, no contributed professional services were reported, in accordance with these criteria. The organization did not report any in-kind support for the fiscal year 2010.

Additionally, the Organization receives services donated by its members that do not meet the two recognition criteria described above. Accordingly, the value of this contributed time has not been determined, and is not reflected in the accompanying financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010
(CONTINUED)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted and Unrestricted Support

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. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

NOTE 2 – CASH AND DEPOSITS

As of June 30, 2010, the carrying amount of the Organization's deposits was \$190,901 and the bank balance was \$249,338.

Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2010 all accounts are fully insured by the FDIC.

NOTE 3 – GRANTS RECEIVABLE

Grants receivable represent funds earned for the period ending June 30, 2010, which have not been received. All grants receivable are considered earned support and are expected to mature in the next fiscal year. Based upon management estimates, no allowance for uncollectible receivables has been provided.

NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at June 30, 2010:

Houston Health Care	<u>\$ 49,498</u>
Total temporarily restricted net assets	<u><u>\$ 49,498</u></u>

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010
(CONTINUED)

NOTE 5 – PRIOR PERIOD ADJUSTMENT

The Organization has determined that a restatement of net assets is required to properly reflect prior year deferred revenues in the amount of \$163,951 and properly classify net assets.

	Unrestricted	Temporarily Restricted
Net Assets June 30, 2009, as previously stated	\$ 474,113	\$ -
Assets released from restrictions	68,963	(68,963)
Reduction of deferred revenues	-	163,951
Net Assets, June 30, 2009, as restated	<u>\$ 543,076</u>	<u>\$ 94,988</u>

NOTE 6 – CLAIMS AND LITIGATION

In the ordinary course of conducting business, the organization may become involved in lawsuits, administrative and other proceedings. The organization's attorney has advised that there are no known potential liabilities that will impair the organization's financial position as of the date of this report.

NOTE 7 – INCOME TAXES

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the year ended June 30, 2010, the Organization is taking the position that all income is derived as a result of its tax exempt purpose and there is no income derived from unrelated business activities. As a result, no tax liability has been recorded. The Organization 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.

NOTE 8 – EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 21, 2010, the date which the financial statements were available to be issued.