

HEALTH CARE CENTRAL GEORGIA, INC.  
MACON, GEORGIA

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2012

ASSETS

Current Assets:

Cash	\$	193,934
Grants receivable		<u>187,636</u>
Total Current Assets		<u>381,570</u>
<u>Property and Equipment:</u>		
Computer software		558,128
Machinery and equipment		94,907
Less: accumulated depreciation		<u>(644,025)</u>
Net Property and Equipment		<u>9,010</u>
Total Assets	\$	<u><u>390,580</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	2,251
Accrued payroll liabilities		20,813
Deferred revenue		<u>60,830</u>
Total Current Liabilities		<u>83,894</u>
Total Liabilities		<u>83,894</u>
<u>Net Assets:</u>		
Temporarily restricted		64,256
Unrestricted		<u>242,431</u>
Total Net Assets		<u>306,686</u>
Total Liabilities and Net Assets	\$	<u><u>390,580</u></u>

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, 2012

	Unrestricted	Temporarily Restricted	Total
Revenue and support			
Donations	\$ 71,071	\$ -	\$ 71,071
Contract revenue	350,169	-	350,169
Other revenues	65,088	-	65,088
Interest income	2,642	-	2,642
DCH	-	54,240	54,240
Morehouse	688,200	-	688,200
Other Contributed Support	-	529,860	529,860
Net assets released from restriction	786,373	(786,373)	-
	<u>1,963,543</u>	<u>(202,274)</u>	<u>1,761,269</u>
Expenses			
Program services	1,976,479	-	1,976,479
Supporting services	220,598	-	220,598
	<u>2,197,077</u>	<u>-</u>	<u>2,197,077</u>
Increase (Decrease) in Net Assets	(233,534)	(202,274)	(435,809)
Net Assets - Beginning of Year	<u>475,965</u>	<u>266,530</u>	<u>742,495</u>
Net Assets - End of Year	<u>\$ 242,431</u>	<u>\$ 64,256</u>	<u>\$ 306,686</u>

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HEALTH CARE CENTRAL GEORGIA, INC.  
MACON, GEORGIA

STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Cash Flows from Operating Activities:

Contributed Support Received:	
Unrestricted support	\$ 1,174,528
Restricted support	604,616
Interest received	2,642
Cash Paid For:	
Salaries and benefits	(868,288)
Operating expenses	(1,398,740)
Net Cash Provided by (Used for) Operating Activities	(485,243)

Cash Flows from Capital and Related Financing Activities:

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

Cash Flows from Investing Activities:

Proceeds from sale of short-term investments	146,604
Net Cash Used in Investing Activities	146,604

Net Increase (Decrease) in Cash and Cash Equivalents (338,639)

Cash - Beginning of year 532,574

Cash - End of year \$ 193,934

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

Increase (Decrease) in net assets \$ (435,809)

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

Depreciation	3,593
(Increase) decrease in grants receivable	(40,314)
(Increase) decrease in other receivables	19
Increase (decrease) in accounts payable	(93,310)
Increase (decrease) in accrued liabilities	19,747
Increase (decrease) in deferred revenue	60,830

Total Adjustments (49,435)

Net Cash Provided by Operating Activities \$ (485,243)

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, 2012

	Program Services	Supporting Services	Total
Personnel:			
Management	\$ 78,652	\$ -	\$ 78,652
Support	15,674	30,000	45,674
Programmatic personnel expense	763,710	-	763,710
Bad Debt	16,000	-	16,000
Depreciation	-	3,593	3,593
Conferences & staff education	16,707	-	16,707
Information technology	17,724	-	17,724
Marketing	-	5,000	5,000
Programmatic meetings expense	18,917	-	18,917
Programmatic expenses	441,582	-	441,582
Miscellaneous indirect costs	-	125,626	125,626
Office supplies	16,014	1,779	17,793
Development	61,066	18,309	79,375
Passthrough and reimbursement expenses	379,980	-	379,980
Postage	2,581	860	3,442
Printing & publications	5,862	-	5,862
Professional fees	12,650	34,082	46,732
Occupancy	93,157	1,349	94,506
Travel	36,201	-	36,201
Total Expenses	<u>\$ 1,976,479</u>	<u>\$ 220,598</u>	<u>\$ 2,197,077</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, 2012

**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, 2012, 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, 2012

(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, 2012, no contributed professional services were reported, in accordance with these criteria. The organization did not report any in-kind support for the fiscal year 2012.

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, 2012  
 (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, 2012, the carrying amount of the Organization’s deposits was \$193,934 and the bank balance was \$269,909.

Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2012, the Organization’s uninsured cash balances total \$18,417.

**NOTE 3 – GRANTS RECEIVABLE**

Grants receivable represent funds earned for the period ending June 30, 2012, 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, 2012:

DCH/FQHC	\$	36,343
Georgia Cancer Coalition		24,677
Strong4Life		3,236
 Total temporarily restricted net assets	 \$	 <u><u>64,256</u></u>

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012  
(CONTINUED)

**NOTE 5 – PROPERTY AND EQUIPMENT**

At June 30, 2012, property, equipment and related accumulated depreciation were as follows:

Computer software	\$	558,128
Machinery & equipment		<u>94,907</u>
Total property and equipment		653,035
Less accumulated depreciation		<u>(644,025)</u>
Net capital assets	\$	<u>9,010</u>
Depreciation expense	\$	<u>3,593</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, 2012, 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, 2012, the date which the financial statements were available to be issued.