

HEALTH CARE CENTRAL GEORGIA, INC.  
MACON, GEORGIA

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2013

ASSETS

Current Assets:

Cash	\$	582,855
Grants receivable		146,185
Prepaid expenses		15,296
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Total Current Assets		744,336

Property and Equipment:

Machinery and equipment		74,093
Less: accumulated depreciation		(70,164)
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Net Property and Equipment		3,929
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Total Assets	\$	748,265

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	17,967
Accrued payroll liabilities		14,800
Compensated absences		23,403
Deferred revenue		63,792
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Total Current Liabilities		119,962
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Total Liabilities		119,962

Net Assets:

Temporarily restricted		24,677
Unrestricted		603,626
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Total Net Assets		628,303
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Total Liabilities and Net Assets	\$	748,265

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, 2013

	Unrestricted	Temporarily Restricted	Total
Revenue and support			
Donations	\$ 89,374	\$ -	\$ 89,374
Contract revenue	374,856	-	374,856
Other revenues	4,899	-	4,899
Interest income	1,199	-	1,199
DPH	155,845	-	155,845
Georgia Research Alliance	240,948	-	240,948
Morehouse	303,150	-	303,150
Other Contributed Support	123,241	-	123,241
Net assets released from restriction	39,579	(39,579)	-
	<u>1,333,091</u>	<u>(39,579)</u>	<u>1,293,512</u>
Expenses			
Program services	901,018	-	901,018
Supporting services	70,878	-	70,878
	<u>971,896</u>	<u>-</u>	<u>971,896</u>
Increase (Decrease) in Net Assets	361,195	(39,579)	321,616
Net Assets - Beginning of Year	242,431	64,256	306,687
Net Assets - End of Year	<u>\$ 603,626</u>	<u>\$ 24,677</u>	<u>\$ 628,303</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, 2013

Cash Flows from Operating Activities:

Contributed Support Received:	
Unrestricted support	\$ 1,292,313
Restricted support	29,117
Interest received	1,199
Cash Paid For:	
Salaries and benefits	(363,746)
Operating expenses	(573,141)
Net Cash Provided by (Used for) Operating Activities	385,742

Cash Flows from Capital and Related Financing Activities:

Loss on disposal of property, plant, and equipment	3,180
Net Cash Provided by (Used for) Capital and Related Financing Activities	3,180

Net Increase (Decrease) in Cash and Cash Equivalents 388,922

Cash - Beginning of year 193,934

Cash - End of year \$ 582,855

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

Increase (Decrease) in net assets \$ 321,616

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

Depreciation	1,901
(Increase) decrease in grants receivable	41,451
(Increase) decrease in prepaids	(15,296)
Increase (decrease) in accounts payable	15,718
Increase (decrease) in accrued liabilities	(6,013)
Increase (decrease) in compensated absences	23,403
Increase (decrease) in deferred revenue	2,962
	2,962

Total Adjustments 64,126

Net Cash Provided by Operating Activities \$ 385,742

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, 2013

	Program Services	Supporting Services	Total
Personnel:			
Management	\$ 8,879	\$ -	\$ 8,879
Other personnel expense	372,257	-	372,257
Bad Debt	145	-	145
Building repairs & maintenance	208	70	278
Depreciation	1,901	-	1,901
Education	75,713	-	75,713
Information technology	1,058	-	1,058
Marketing	34,507	11,503	46,010
Meetings expense	1,102	368	1,470
Miscellaneous indirect costs	-	51,985	51,985
Office supplies	9,965	3,322	13,287
Other development	77,743	3,405	81,148
Passthrough and reimbursement expenses	196,184	-	196,184
Postage	674	225	899
Printing & publications	3,631	-	3,631
Professional fees	20,437	-	20,437
Programmatic expenses	61,784	-	61,784
Rent	31,824	-	31,824
Travel	3,006	-	3,006
<b>Total Expenses</b>	<b>\$ 901,018</b>	<b>\$ 70,878</b>	<b>\$ 971,896</b>

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, 2013

**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**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction is satisfied or expires, temporarily restricted net assets are reclassified as unrestricted and reported in the statement of activities as net assets released from restriction.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that must be maintained permanently by the Organization. Generally donors of these assets permit the Organization to use all or part of the income earned on any related investment for general or specific purposes.

**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.

**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, 2013

(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, 2013, no contributed professional services were reported, in accordance with these criteria. The organization did not report any in-kind support for the fiscal year 2013.

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, 2013  
(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, 2013, the carrying amount of the Organization's deposits was \$582,855 and the bank balance was \$631,938.

Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2013, the Organization's uninsured cash balances total \$165,168.

**NOTE 3 – GRANTS RECEIVABLE**

Grants receivable represent funds earned for the period ending June 30, 2013, 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, 2013:

Georgia Cancer Coalition	<u>24,677</u>
Total temporarily restricted net assets	<u>\$ 24,677</u>

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

**NOTE 5 – PROPERTY AND EQUIPMENT**

At June 30, 2013, property, equipment and related accumulated depreciation were as follows:

Machinery & equipment	\$ <u>74,093</u>
Total property and equipment	74,093
Less accumulated depreciation	<u>(70,164)</u>
Net capital assets	\$ <u>3,929</u>
Depreciation expense	\$ <u>1,901</u>

**NOTE 6 – LONG-TERM LIABILITIES**

Long-term liability activity for the fiscal year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Compensated absences	\$ -	\$ 40,829	\$ 17,426	\$ 23,403
Long-term liabilities	<u>\$ -</u>	<u>\$ 40,829</u>	<u>\$ 17,426</u>	<u>\$ 23,403</u>

**NOTE 7 – 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 8 – 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, 2013, 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 9 – EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through November 4, 2013, the date which the financial statements were available to be issued.