

**HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA**

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2016

ASSETS

Current Assets:

Cash	\$ 310,074
Investments - other	408,356
Grants receivable	968,987
Prepaid expenses	<u>25,496</u>
Total Current Assets	<u>1,712,913</u>

Property and Equipment:

Machinery and equipment	102,963
Less: accumulated depreciation	<u>(85,522)</u>
Net Property and Equipment	<u>17,441</u>

TOTAL ASSETS \$ 1,730,354

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 209,762
Accrued payroll liabilities	16,244
Compensated absences	45,795
Deferred revenue	<u>152,748</u>
Total Current Liabilities	<u>424,549</u>

TOTAL LIABILITIES 424,549

Net Assets:

Unrestricted	<u>1,305,805</u>
TOTAL NET ASSETS	<u>1,305,805</u>

TOTAL LIABILITIES AND NET ASSETS \$ 1,730,354

The accompanying notes are an integral part of these statements.

**HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA**

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUES AND SUPPORT			
Contract revenue			
Non-Government Grant & Contracts	\$ 486,837	\$ -	\$ 486,837
Federal Government Grants & Contracts	2,241,269	-	2,241,269
State Government Grants & Contracts	263,148	-	263,148
Contributions	102	-	102
Program revenue	93,082	-	93,082
Interest revenue	4,873	-	4,873
Other revenues	5,930	-	5,930
Net assets released from restriction:			
Satisfaction of time restrictions	24,673	(24,673)	-
TOTAL REVENUES AND SUPPORT	3,119,914	(24,673)	3,095,241
EXPENSES			
Program services	2,845,242	-	2,845,242
Supporting services	84,826	-	84,826
TOTAL EXPENSES	2,930,068	-	2,930,068
CHANGE IN NET ASSETS	189,846	(24,673)	165,173
NET ASSETS-BEGINNING OF YEAR	1,115,959	24,673	1,140,632
NET ASSETS-END OF YEAR	\$ 1,305,805	\$ -	\$ 1,305,805

The accompanying notes are an integral part of these statements.

**HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA**

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Contributed Support Received:	
Unrestricted support	\$ 2,710,956
Interest received	4,873
Cash paid for:	
Salaries and benefits	(1,471,443)
Operating expenses	<u>(1,361,027)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(116,641)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments	<u>(3,940)</u>
NET CASH (USED)/PROVIDED BY INVESTING ACTIVITIES	<u>(3,940)</u>

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (120,581)

BEGINNING CASH 430,655

ENDING CASH \$ 310,074

Reconciliation of Increase in Net Assets to

Net Cash Provided by Operating Activities:

Increase (Decrease) in net assets \$ 165,173

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

Depreciation	6,402
(Increase) decrease in grants receivable	(375,147)
(Increase) decrease in accrued interest receivable	-
(Increase) decrease in prepaids	(4,265)
Increase (decrease) in accounts payable	209,762
Increase (decrease) in accrued liabilities	4,080
Increase (decrease) in compensated absences	(77,159)
Increase (decrease) in deferred revenue	<u>(45,487)</u>
Total Adjustments	<u>(281,814)</u>

Net Cash Provided by Operating Activities \$ (116,641)

The accompanying notes are an integral part of these statements.

**HEALTH CARE CENTRAL GEORGIA, INC.
MACON, GEORGIA**

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Program Services	Supporting Services	Total
Personnel:			
Salaries	\$ 1,113,300	\$ 56,109	\$ 1,169,409
Other personnel expense	215,740	13,215	228,955
Bank and Credit Card Fees	1,016	174	1,190
Contract expenses	596,345	-	596,345
Depreciation	6,402	-	6,402
Dues and Subscriptions	13,643	4,985	18,628
Education	16,777	737	17,514
Grants to other organizations	89,750	-	89,750
Insurance	77	17,532	17,609
Legal and professional	37,194	49,915	87,109
Marketing	186,604	-	186,604
Meetings expense	50,420	7,110	57,530
Miscellaneous indirect costs	168,270	(168,270)	-
Miscellaneous expense	2,376	30	2,406
Postage	13,120	1,412	14,532
Printing & publications	80,154	9,288	89,442
Programmatic expenses	4,761	-	4,761
Rent	47,179	50,778	97,957
Supplies	49,962	26,670	76,632
Telephone	32,254	3,503	35,757
Travel	108,898	11,638	120,536
Vehicle expenses	11,000	-	11,000
	\$ 2,845,242	\$ 84,826	\$ 2,930,068
Total Expenses	\$ 2,845,242	\$ 84,826	\$ 2,930,068

The accompanying notes are an integral part of these statements.

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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 to leverage the Organization’s knowledge and creativity to develop innovative ideas and programs that improve the overall health communities served. The vision is to obtain better health care for all.

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 in the United States of America.

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.

Deposits and Investments

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. Certificate of deposits held for investment that are not debt securities, with original maturities greater than three months, are included in “Investment – other.”

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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, 2016, no contributed professional services were reported, in accordance with these criteria. The Organization did not report any in-kind support for the fiscal year 2016.

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 financials 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.

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.

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 – DEPOSITS AND INVESTMENTS

As of June 30, 2016, the carrying amount of the Organization's deposits was \$310,074 for cash and \$408,356 for certificates of deposit, and the bank balance was \$361,996 for cash and \$408,356 for certificates of deposit.

Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2016, the Organization's uninsured deposit balances total \$270,352.

NOTE 3 – GRANTS RECEIVABLE

Grants receivable represent funds earned for the period ending June 30, 2016, 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

There were no temporarily restricted net assets at June 30, 2016.

NOTE 5 – PROPERTY AND EQUIPMENT

At June 30, 2016, property, equipment and related accumulated depreciation were as follows:

Machinery & Equipment	\$	102,963
Less: Accumulated Depreciation		<u>(85,522)</u>
Net Capital Assets	\$	<u>17,441</u>
Depreciation expense	\$	<u>6,402</u>

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NOTE 6 – LONG-TERM LIABILITIES

Long-term liability activity for the fiscal year ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Compensated absences	<u>\$ 41,715</u>	<u>\$ 31,387</u>	<u>\$ (27,307)</u>	<u>\$ 45,795</u>

NOTE 7 – CLAIMS AND LITIGATION

In the ordinary course of conducting business, the Organization may become involved in lawsuits, administrative and other proceedings. 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, 2016, 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.

The Organization's federal Return of Organization Exempt from Income Tax (Form 990) for 2013, 2014 and 2015 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 9, 2016, the date which the financial statements were available to be issued.

NOTE 10 – SUBSEQUENT EVENTS

On September 2, 2016, the Organization was awarded a grant in the amount of \$2,288,988 by the Centers for Medicare and Medicaid Services. The grant is titled: Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership. The grant project period is from September 2, 2016 through September 1, 2018.