

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

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2017

ASSETS

Current Assets:

Cash	\$ 644,520
Investments - other	411,375
Grants receivable	427,916
Prepaid expenses	<u>25,496</u>

Total Current Assets 1,509,307

Property and Equipment:

Machinery and equipment	102,963
Less: accumulated depreciation	<u>(91,925)</u>

Net Property and Equipment 11,038

TOTAL ASSETS \$ 1,520,345

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 83,424
Accrued payroll liabilities	24,885
Compensated absences	68,519
Deferred revenue	<u>12,525</u>

Total Current Liabilities 189,353

TOTAL LIABILITIES 189,353

Net Assets:

Unrestricted	<u>1,330,992</u>
TOTAL NET ASSETS	<u><u>1,330,992</u></u>

TOTAL LIABILITIES AND NET ASSETS \$ 1,520,345

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, 2017

REVENUES AND SUPPORT

Contract revenue	
Non-Government Grant & Contracts	\$ 465,342
Federal Government Grants & Contracts	2,079,077
State Government Grants & Contracts	245,948
Program revenue	29,822
Interest revenue	3,282
Other revenues	<u>290</u>

TOTAL REVENUES AND SUPPORT 2,823,761

EXPENSES

Program services	2,603,585
Supporting services	<u>194,989</u>

TOTAL EXPENSES 2,798,574

CHANGE IN NET ASSETS 25,187

NET ASSETS-BEGINNING OF YEAR 1,305,805

NET ASSETS-END OF YEAR \$ 1,330,992

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, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Contributed Support Received:	
Unrestricted support	\$ 3,361,550
Interest received	3,282
Cash paid for:	
Salaries and benefits	(1,591,082)
Operating expenses	<u>(1,436,285)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>337,465</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments	<u>(3,019)</u>
NET CASH (USED)/PROVIDED BY INVESTING ACTIVITIES	<u>(3,019)</u>

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS 334,446

BEGINNING CASH 310,074

ENDING CASH \$ 644,520

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

 Increase (Decrease) in net assets \$ 25,187

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

Depreciation	6,403
(Increase) decrease in grants receivable	541,071
Increase (decrease) in accounts payable	(126,338)
Increase (decrease) in accrued liabilities	22,724
Increase (decrease) in compensated absences	8,641
Increase (decrease) in deferred revenue	<u>(140,223)</u>
Total Adjustments	<u>312,278</u>

Net Cash Provided by Operating Activities \$ 337,465

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, 2017

	Program Services	Supporting Services	Total
Personnel:			
Salaries	\$ 1,300,777	\$ 23,389	\$ 1,324,166
Other personnel expense	289,542	8,739	298,281
Bank and Credit Card Fees	396	326	722
Contract expenses	432,282	8,737	441,019
Depreciation	5,774	629	6,403
Dues and Subscriptions	2,827	3,479	6,306
Education	5,921	575	6,496
Grants to other organizations and individuals	9,075	-	9,075
Insurance	10,496	10,496	20,992
Legal and professional	36,433	27,164	63,597
Marketing	116,697	-	116,697
Meetings expense	41,373	10,208	51,581
Miscellaneous expense	8,267	575	8,842
Postage	1,120	1,696	2,816
Printing & publications	9,246	511	9,757
Programmatic expenses	349	-	349
Rent	56,115	52,421	108,536
Supplies	48,413	33,176	81,589
Telephone	29,847	4,071	33,918
Travel	185,712	7,966	193,678
Vehicle expenses	12,923	831	13,754
 Total Expenses	 \$ 2,603,585	 \$ 194,989	 \$ 2,798,574

The accompanying notes are an integral part of these statements.

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017

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, 2017

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, 2017, no contributed professional services were reported, in accordance with these criteria. The Organization did not report any in-kind support for the fiscal year 2017.

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, 2017

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, 2017, the carrying amount of the Organization's deposits was \$644,520 for cash and \$411,375 for certificates of deposit, and the bank balance was \$722,546 for cash and \$410,914 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, 2017, the Organization's uninsured deposit balances total \$633,460. This risk of exposure is mitigated by a quarterly review of each bank's capitalization. The banks are well capitalized.

NOTE 3 – GRANTS RECEIVABLE

Grants receivable represent funds earned for the period ending June 30, 2017, 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, 2017.

NOTE 5 – PROPERTY AND EQUIPMENT

At June 30, 2017, property, equipment and related accumulated depreciation were as follows:

Machinery & Equipment	\$	102,963
Less: Accumulated Depreciation		<u>(91,925)</u>
Net Capital Assets	\$	<u>11,038</u>
Depreciation expense	\$	<u>6,403</u>

HEALTH CARE CENTRAL GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 6 – COMPENSATED ABSENCES

The Organization provides personal leave time to its full-time employees. Full-time employees are eligible to accrue personal leave up to a maximum amount that is based upon the years of service. The maximum leave accrual ranges from 144 hours to 400 hours, depending on the years of service. Leave accrual rates range from 3.69 to 6.15 days per pay period, depending on years of service. Regular full-time employees can sell back up to 50% of their leave balance. The sell-backs can occur up to four times each year. The liability due to employees is titled compensated absences in the statement of financial position. Total compensated absences at June 30, 2017, is \$68,519.

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, 2017, 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 2014, 2015 and 2016 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 March 14, 2018, the date which the financial statements were available to be issued.