



Financial Statements

December 31, 2011 and 2010



Financial Statements

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Post & Associates, LLC
Certified Public Accountants
Marietta, Georgia

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Good Samaritan Health Center of Cobb, Inc.
1605 Roberta Drive
Marietta, Georgia 30008

We have audited the accompanying statement of financial position of Good Samaritan Health Center of Cobb, Inc. (a nonprofit organization) as of December 31, 2011 and 2010 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good Samaritan Health Center of Cobb, Inc. as of December 31, 2011 and 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to be 'PJA', is written over a horizontal line.

Post & Associates, LLC
July 12, 2012

Post & Associates, LLC - Certified Public Accountants

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2011 Good Samaritan Health Center of Cobb, Inc.

Leadership

Larry Hornsby, M.D., Medical Director
Steve Hansard, D.D.M., M.H.E, Dental Director
Kacie McDonnell, M.P.A., Operations Director
Ashley Garrison, Development Director
Gayle Nelson, Finance Director

Board of Directors

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Robert Smith, D.D.S.
David Bottoms, Operations
Steve LaMontagne, Treasurer
Grant Cole, Spiritual Health
Lynda Ausburn, Fundraising
Billy Edens
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Congressman Phil Gingrey, M.D.
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Cyril Kitchens
Ernie Martin
Susan Pearson
Terry Poor, PhD.
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David Tucker, M.D.
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Janie Maddox
Greg Moss
William Sigman
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Jim Speed
Kessel Stelling
Dan Stephens, M.D.
Andy Tatnall
Mario Lizaso

Good Samaritan Health Center of Cobb, Inc.

Statement of Financial Position

December 31, 2011 and 2010

	2011	2010
Assets		
Current Assets		
Cash	\$ 692,499	\$ 588,699
Pledges Receivable	2,400	2,750
Prepaid Insurance	9,006	9,006
Inventory	17,452	13,527
Total Current Assets	<u>721,357</u>	<u>613,982</u>
Property and Equipment		
Land	208,447	208,447
Land Improvements	194,148	194,148
Building	677,481	677,481
Furniture and Fixtures	35,538	35,152
Equipment	519,019	512,850
Accumulated Depreciation	<u>(473,870)</u>	<u>(388,589)</u>
Total Property and Equipment	<u>1,160,763</u>	<u>1,239,489</u>
Other Assets		
Software	9,693	-
Organizational Costs	540	540
Accumulated Amortization	<u>(1,079)</u>	<u>(540)</u>
Total Other Assets	<u>9,154</u>	<u>-</u>
Total Assets	<u>\$ 1,891,274</u>	<u>\$ 1,853,471</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ <u>4,062</u>	\$ <u>28,213</u>
Total Current Liabilities	<u>4,062</u>	<u>28,213</u>
Net Assets		
Unrestricted	<u>1,887,212</u>	<u>1,825,258</u>
Total Net Assets	<u>1,887,212</u>	<u>1,825,258</u>
Total Liabilities & Net Assets	<u>\$ 1,891,274</u>	<u>\$ 1,853,471</u>

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

Good Samaritan Health Center of Cobb, Inc.

Statement of Activities

For The Years Ended December 31, 2011 and 2010

	2011	2010
Unrestricted Net Assets		
Unrestricted Revenues and Gains:		
Donated Services	\$ 5,563,882	\$ 5,793,582
Donated Medication	1,566,842	1,281,341
General Unrestricted Support	775,634	732,113
Dental Program Revenues	206,068	181,608
Dispensary Program Revenues	101,858	75,032
Medical Program Revenues	259,643	215,785
Interest & Investment Income	2,410	6,227
Special Events	57,660	30,654
Miscellaneous Income	690	5,315
Credit Card Discount Fees	(7,444)	(5,387)
Total Unrestricted Revenues and Gains	8,527,243	8,316,270
Net Assets Released from Restrictions	-	-
Restrictions Satisfied by Payments	-	-
Total Unrestricted Support and Revenue	8,527,243	8,316,270
Program Costs		
Donated Services	5,563,882	5,793,582
Donated Medication	1,566,842	1,281,341
Salaries and Wages	694,067	633,231
Dispensary Costs	74,356	66,527
Depreciation and Amortization	57,828	55,433
Payroll Taxes	51,197	49,518
Dental Supplies	69,828	47,132
Employee Benefits	51,056	43,542
Medical Lab Costs	29,569	24,015
Medical Supplies	29,717	21,888
Office Supplies	26,501	21,432
Janitorial and Waste Disposal Services	6,421	15,652
Insurance	13,854	14,238
Telephone	11,810	9,671
Training and Education	5,745	3,999
Dues and Subscriptions	4,442	4,078
Software Maintenance	9,779	3,830
Total Program Costs	\$ 8,266,894	\$ 8,089,109
Supporting Services		
Management and General:		
Depreciation	\$ 27,992	\$ 27,377
Utilities	21,374	19,811
Marketing Fees	23,246	16,171
Miscellaneous Expenses	13,522	13,157
Accounting Fees	9,000	9,000
Insurance	9,651	8,660
Repair and Maintenance	12,075	6,401
Payroll Fees	3,804	3,600
Meetings and Conferences	3,423	2,889
Bank Charges	794	501
Total Management and General	124,881	107,567

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

Good Samaritan Health Center of Cobb, Inc.

Statement of Activities

For The Years Ended December 31, 2011 and 2010

	2011	2010
Fundraising:		
Salaries and Wages	45,000	45,338
Special Events	14,519	13,714
Professional Fundraising Fees	6,144	6,149
Payroll Taxes	3,343	3,551
Employee Benefits	4,508	3,541
Total Fundraising	<u>73,514</u>	<u>72,293</u>
Total Supporting Services	<u>198,395</u>	<u>179,860</u>
Total Program and Supporting Services Costs	<u>8,465,289</u>	<u>8,268,969</u>
Increase (Decrease) in Unrestricted Net Assets	<u>61,954</u>	<u>47,301</u>
Temporarily Restricted Net Assets		
Temporarily Restricted Revenues and Gains		
Restrictions Satisfied by Payments	<u>-</u>	<u>-</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Assets	61,954	47,301
Net Assets Beginning of the Year	<u>1,825,258</u>	<u>1,777,957</u>
Net Assets End of the Year	<u>\$ 1,887,212</u>	<u>\$ 1,825,258</u>

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

Good Samaritan Health Center of Cobb, Inc.

Statement of Cash Flows

For the Years Ended December 31, 2011 and 2010

	2011	2010
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 61,954	\$ 47,301
Non-cash Items Included In Increase in Net Assets		
Depreciation and Amortization	85,820	82,810
Adjustments to reconcile change in net assets to net cash used in operating activities:		
(Increase) Decrease in Pledges Receivable	350	150
(Increase) Decrease in Inventory	(3,925)	100
(Increase) Decrease in Prepaid Insurance	-	(1,596)
Increase (Decrease) in Accounts Payable	<u>(24,151)</u>	<u>12,319</u>
Net Cash Provided by (Used in) Operating Activities	<u>120,048</u>	<u>141,084</u>
Cash Flows From Investing Activities:		
Capital Asset Purchases	<u>(16,248)</u>	<u>(7,391)</u>
Net Cash (Used In) Investing Activities	<u>(16,248)</u>	<u>(7,391)</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>103,800</u>	<u>133,693</u>
Cash and Cash Equivalents at Beginning of Year	<u>588,699</u>	<u>455,006</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 692,499</u></u>	<u><u>\$ 588,699</u></u>
Non-Cash Transactions:		
Donated Services	5,563,882	5,793,582
Donated Medication	1,566,842	1,281,341

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

Good Samaritan Health Center of Cobb, Inc.

Statement of Functional Expenses

For the Years Ended December 31, 2011 and 2010

	Program		Support Services		Total Expenses	
	Service		Management		2011	2010
	Service		and General	Fundraising		
Donated Services	\$ 5,563,882	\$ -	\$ -	\$ -	\$ 5,563,882	\$ 5,793,582
Donated Medication	1,566,842	-	-	-	1,566,842	1,281,341
Salaries and Wages	694,067	-	-	45,000	739,067	678,569
Depreciation and Amortization	57,828	27,992	-	-	85,820	82,810
Dispensary Costs	74,356	-	-	-	74,356	66,527
Dental Supplies	69,828	-	-	-	69,828	47,132
Employee Benefits	51,056	-	-	4,508	55,564	47,083
Payroll Taxes	51,197	-	-	-	51,197	53,069
Medical Supplies	29,717	-	-	-	29,717	21,888
Medical Lab Costs	29,569	-	-	-	29,569	24,015
Office Supplies	26,501	-	-	-	26,501	19,003
Insurance	13,854	9,651	-	-	23,505	22,898
Utilities	-	23,246	-	-	23,246	19,810
Marketing	-	21,374	-	-	21,374	16,171
Meetings and Conferences	-	-	-	14,519	14,519	2,889
Miscellaneous Expenses	-	13,522	-	-	13,522	15,585
Special Events	-	12,075	-	-	12,075	13,714
Telephone	11,810	-	-	-	11,810	9,671
Software Maintenance	9,779	-	-	-	9,779	3,830
Accounting	-	9,000	-	-	9,000	9,000
Repair and Maintenance	-	3,804	-	3,343	7,147	6,401
Janitorial and Waste Disposal Services	6,421	-	-	-	6,421	15,652
Bank Charges	-	-	-	6,144	6,144	501
Training and Education	5,745	-	-	-	5,745	4,001
Dues and Subscriptions	4,442	-	-	-	4,442	4,078
Professional Fundraising Fee	-	3,423	-	-	3,423	6,149
Payroll Processing Fees	-	794	-	-	794	3,600
	<u>\$ 8,266,894</u>	<u>\$ 124,881</u>	<u>\$ 73,514</u>	<u>\$ 8,465,289</u>	<u>\$ 8,268,969</u>	

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

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Good Samaritan Health Center of Cobb, Inc. (the "Organization") was established in December 2002, for the purpose of opening and operating a health care clinic for people in need in Cobb County, Georgia. The initial capital for the establishment of the Organization was provided by Parents with a Purpose, an unaffiliated organization, in July, 2003. The mission statement of the organization is to spread the love of Christ by providing quality healthcare to those in need." The Organization opened its doors to serve those in need in May of 2006. It receives revenue for medical and dental services as well as from the sales of medicine, all at a discount to those who have demonstrated the need. The Organization also receives support in the form of donations from foundations, churches and ministries, businesses, civic associations, and individuals. It has also received grants from various foundations, other organizations, Cobb County, and the Federal Government.

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, the financial statements reflect all significant receivables, payables, and other liabilities of the Organization.

Basis of Presentation

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.

Use of 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.

Property and Equipment

Acquisitions of property and equipment in excess of \$250 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are 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 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.

Donated Services and Medication

The Organization receives a substantial amount of donated services in carrying out its mission. Amounts meeting the criteria for recognition have been recognized in the financial statements. The donated services and medications were recorded at the estimated fair market value at the time of the donation and recorded as an expenditure for the same amount according to the category to which it applies.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and therefore has made no provision for federal income taxes in the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts at December 31, 2011 and 2010. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Accounts Receivable

The Organization has patient receivables of approximately \$200,000 which have been fully reserved because they have been determined to be uncollectible. The Organization formulated a policy implemented in 2008 which has brought more accountability to the financial obligations of the patients.

NOTE 2 - CASH

The total cash and cash equivalents held by the banks for the Organization at December 31, 2011 was \$697,464 of which \$548,104 was insured by the Federal Deposit Insurance Corporation provided by the federal government.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE 3 – Property and Equipment

Property and Equipment at December 31, 2011 and 2010 consisted of the following:

	<u>2011</u>	<u>2010</u>
Land	\$ 208,447	\$ 208,447
Land Improvements	194,148	194,148
Building	677,481	677,481
Furniture and Fixtures	35,538	35,152
Equipment	519,019	512,850
Accumulated Depreciation	(473,870)	(388,589)
Total Property and Equipment	<u>\$ 1,160,763</u>	<u>\$ 1,239,489</u>

NOTE 4 - AMORTIZATION AND DEPRECIATION

The Organization depreciates long-lived tangible assets which have been capitalized. The personal property has useful lives ranging from 3 to 10 years and the real property has a useful life of 30 years.

NOTE 5 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and 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 benefitted.

NOTE 6 - RELATED PARTY TRANSACTIONS

Various members of the Organization's Board of Directors contribute cash periodically throughout the year. The cash contributed during 2011 and 2010 by Board members was \$160,330 and \$149,332 respectively. Total future promises to give made by Board members total \$2,400.

NOTE 7 – SUBSEQUENT EVENTS

The Organization evaluated its December 31, 2011 financial statements for subsequent events through July 12, 2011, the date which the financial statements were available to be issued. The Organization is not aware of any subsequent events that would require recognition or disclosure in the financial statements