



Financial Statements

December 31, 2012 and 2011



Financial Statements

December 31, 2012 and 2011

Post & Associates, LLC
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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, 2012 and 2011 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, 2012 and 2011 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 read 'PJA', is written over the page.

Post & Associates, LLC
July 2, 2013

Post & Associates, LLC - Certified Public Accountants

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Good Samaritan Health Center of Cobb

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Steve Hansard, DMD Dental Director
Kacie McDonnell, Operations Director
Ashley Garrison, Development Director
Gayle Nelson, Finance Director

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Mike Kinney, D.M.D. Board Affairs
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Good Samaritan Health Center of Cobb, Inc.

Statement of Financial Position

December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---------------------|---------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 661,731 | \$ 692,499 |
| Pledges Receivable | 2,250 | 2,400 |
| Prepaid Insurance | 8,972 | 9,006 |
| Inventory | 12,583 | 17,452 |
| Total Current Assets | 685,536 | 721,357 |
| Property and Equipment | | |
| Land | 208,447 | 208,447 |
| Land Improvements | 194,148 | 194,148 |
| Building | 677,481 | 677,481 |
| Building Improvements | 49,864 | - |
| Furniture and Fixtures | 38,378 | 35,538 |
| Equipment | 531,487 | 519,019 |
| Accumulated Depreciation | (542,935) | (473,870) |
| Total Property and Equipment | 1,156,870 | 1,160,763 |
| Other Assets | | |
| Earnest Money | 5,000 | - |
| Software | 9,693 | 9,693 |
| Organizational Costs | 540 | 540 |
| Accumulated Amortization | (4,310) | (1,079) |
| Total Other Assets | 10,923 | 9,154 |
| Total Assets | \$ 1,853,329 | \$ 1,891,274 |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts Payable | \$ 6,715 | \$ 4,062 |
| Total Current Liabilities | 6,715 | 4,062 |
| Net Assets | | |
| Restricted | 105,000 | - |
| Unrestricted | 1,741,614 | 1,887,212 |
| Total Net Assets | 1,846,614 | 1,887,212 |
| Total Liabilities & Net Assets | \$ 1,853,329 | \$ 1,891,274 |

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, 2012 and 2011

| | 2012 | 2011 |
|--|------------------|------------------|
| Unrestricted Net Assets | | |
| Unrestricted Support and Revenues: | | |
| Donated Services | \$ 5,630,192 | \$ 5,563,882 |
| Donated Medication | 3,084,467 | 1,566,842 |
| General Unrestricted Support | 664,648 | 775,634 |
| Dental Program Revenues | 187,699 | 206,068 |
| Dispensary Program Revenues | 111,447 | 101,858 |
| Medical Program Revenues | 322,173 | 259,643 |
| Interest & Investment Income | 1,253 | 2,410 |
| Special Events | 76,098 | 57,660 |
| Miscellaneous Income | 2,485 | 690 |
| Credit Card Discount Fees | (9,191) | (7,444) |
| Total Support and Revenues | 10,071,271 | 8,527,243 |
| Reclassifications: | | |
| Net Assets Released from Restrictions | - | - |
| Total Unrestricted Support and Revenues: | 10,071,271 | 8,527,243 |
| Program Costs | | |
| Donated Services | 5,630,192 | 5,563,882 |
| Donated Medication | 3,084,467 | 1,566,842 |
| Salaries and Wages | 780,179 | 694,067 |
| Dispensary Costs | 84,546 | 74,356 |
| Depreciation and Amortization | 44,075 | 57,828 |
| Payroll Taxes | 53,478 | 51,197 |
| Dental Supplies | 67,565 | 69,828 |
| Employee Benefits | 63,451 | 51,056 |
| Medical Lab Costs | 27,925 | 29,569 |
| Medical Supplies | 36,603 | 29,717 |
| Office Supplies | 29,603 | 26,501 |
| Janitorial and Waste Disposal Services | 3,977 | 6,421 |
| Insurance | 12,812 | 13,854 |
| Telephone | 13,433 | 11,810 |
| Training and Education | 3,911 | 5,745 |
| Dues and Subscriptions | 4,310 | 4,442 |
| Software Maintenance | 15,425 | 9,779 |
| Total Program Costs | 9,955,952 | 8,266,894 |
| Supporting Services | | |
| Management and General: | | |
| Depreciation and Amortization | 28,221 | 27,992 |
| Utilities | 21,090 | 21,374 |
| Marketing Fees | 29,427 | 23,246 |
| Miscellaneous Expenses | 26,228 | 13,522 |
| Accounting Fees | 10,000 | 9,000 |
| Insurance | 10,134 | 9,651 |
| Repair and Maintenance | 42,370 | 12,075 |
| Payroll Fees | 4,167 | 3,804 |
| Meetings and Conferences | 3,037 | 3,423 |
| Bank Charges | 1,471 | 794 |
| Total Management and General | 176,145 | 124,881 |

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, 2012 and 2011

| | 2012 | 2011 |
|--|---------------------|---------------------|
| Fundraising: | | |
| Salaries and Wages | \$ 53,000 | \$ 45,000 |
| Special Events | 16,459 | 14,519 |
| Professional Fundraising Fees | 6,065 | 6,144 |
| Payroll Taxes | 3,948 | 3,343 |
| Employee Benefits | 5,300 | 4,508 |
| Total Fundraising | 84,772 | 73,514 |
| Total Supporting Services | 260,917 | 198,395 |
| Total Program and Supporting Services Costs | 10,216,869 | 8,465,289 |
| Increase (Decrease) in Unrestricted Net Assets | (145,598) | 61,954 |
| Temporarily Restricted Net Assets | | |
| Temporarily Restricted Revenues and Gains | | |
| Restrictions Imposed by Donors | 105,000 | - |
| Restrictions Satisfied by Payments | - | - |
| Increase (Decrease) in Temporarily Restricted Net Assets | 105,000 | - |
| Increase (Decrease) in Net Assets | (40,598) | 61,954 |
| Net Assets Beginning of the Year | 1,887,212 | 1,825,258 |
| Net Assets End of the Year | \$ <u>1,846,614</u> | \$ <u>1,887,212</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, 2012 and 2011

| | 2012 | 2011 |
|---|-----------------|-----------------|
| Cash Flows From Operating Activities: | | |
| Change in Net Assets | \$ (40,598) | \$ 61,954 |
| Non-cash Items Included In Increase in Net Assets | | |
| Depreciation and Amortization | 72,296 | 85,820 |
| Adjustments to reconcile change in net assets to net cash used in operating activities: | | |
| (Increase) Decrease in Pledges Receivable | 150 | 350 |
| (Increase) Decrease in Inventory | 4,869 | (3,925) |
| (Increase) Decrease in Prepaid Insurance | 34 | - |
| Increase (Decrease) in Accounts Payable | 2,653 | (24,151) |
| Net Cash Provided by (Used in) Operating Activities | 39,404 | 120,048 |
| Cash Flows From Investing Activities: | | |
| Capital Asset Purchases | (65,172) | (16,248) |
| Earnest Money Paid | (5,000) | - |
| Net Cash (Used In) Investing Activities | (70,172) | (16,248) |
| Net Increase (Decrease) In Cash and Cash Equivalents | (30,768) | 103,800 |
| Cash and Cash Equivalents at Beginning of Year | 692,499 | 588,699 |
| Cash and Cash Equivalents at End of Year | \$ 661,731 | \$ 692,499 |
| Non-Cash Transactions: | | |
| Donated Services | 5,630,192 | 5,793,582 |
| Donated Medication | 3,084,467 | 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, 2012 and 2011

| | Program | | | Total Expenses | |
|--|---------------------|-------------------|------------------|----------------------|---------------------|
| | Service | Support Services | | 2012 | 2011 |
| | | Health | Management | | |
| | Service | and General | | | |
| Donated Services | \$ 5,630,192 | \$ - | \$ - | \$ 5,630,192 | \$ 5,563,882 |
| Donated Medication | 3,084,467 | - | - | 3,084,467 | 1,566,842 |
| Salaries and Wages | 780,179 | - | 53,000 | 833,179 | 739,067 |
| Dispensary Costs | 84,546 | - | - | 84,546 | 74,356 |
| Depreciation and Amortization | 44,075 | 28,221 | - | 72,296 | 85,820 |
| Employee Benefits | 63,451 | - | 5,300 | 68,751 | 55,564 |
| Dental Supplies | 67,565 | - | - | 67,565 | 69,828 |
| Payroll Taxes | 53,478 | - | 3,948 | 57,426 | 51,197 |
| Repair and Maintenance | - | 42,370 | - | 42,370 | 7,147 |
| Medical Supplies | 36,603 | - | - | 36,603 | 29,717 |
| Office Supplies | 29,603 | - | - | 29,603 | 26,501 |
| Marketing | - | 29,427 | - | 29,427 | 21,374 |
| Medical Lab Costs | 27,925 | - | - | 27,925 | 29,569 |
| Miscellaneous Expenses | - | 26,228 | - | 26,228 | 13,522 |
| Insurance | 12,812 | 10,134 | - | 22,946 | 23,505 |
| Utilities | - | 21,090 | - | 21,090 | 23,246 |
| Special Events | - | - | 16,459 | 16,459 | 12,075 |
| Software Maintenance | 15,425 | - | - | 15,425 | 9,779 |
| Telephone | 13,433 | - | - | 13,433 | 11,810 |
| Accounting | - | 10,000 | - | 10,000 | 9,000 |
| Professional Fundraising Fee | - | - | 6,065 | 6,065 | 3,423 |
| Dues and Subscriptions | 4,310 | - | - | 4,310 | 4,442 |
| Payroll Processing Fees | - | 4,167 | - | 4,167 | 794 |
| Janitorial and Waste Disposal Services | 3,977 | - | - | 3,977 | 6,421 |
| Training and Education | 3,911 | - | - | 3,911 | 5,745 |
| Meetings and Conferences | - | 3,037 | - | 3,037 | 14,519 |
| Bank Charges | - | 1,471 | - | 1,471 | 6,144 |
| | <u>\$ 9,955,952</u> | <u>\$ 176,145</u> | <u>\$ 84,772</u> | <u>\$ 10,216,869</u> | <u>\$ 8,465,289</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, 2012

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. Currently the Organization has only unrestricted and temporarily restricted assets. Unrestricted net assets are not subject to donor restrictions. Temporarily restricted net assets are subject to donor-imposed stipulations that will be met by actions of the Organization.

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, 2012

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, 2012 and 2011. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Accounts Receivable

As stated earlier, Good Samaritan Health Center of Cobb, Inc. exists to share the love of Christ by providing quality healthcare to those in need. It serves people in the community who are homeless, disabled, hurting, children, families, those working and those not working, all whose family income is 200% and below the federal poverty level. The Center's goal is to provide accessible, affordable, quality care which is made possible through the incredible generosity of our volunteers and supporters from the community. With this in mind, the patients pay toward their care based on a sliding scale according to their income and family size. At times this means patients carry a balance to receive necessary treatment at the time they are need. These patient receivables are fully reserved because their collectability is doubtful.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE 2 - CASH

The total cash and cash equivalents held by the banks for the Organization at December 31, 2012 was \$652,169 of which \$552,614 was insured by the Federal Deposit Insurance Corporation provided by the federal government.

NOTE 3 – Property and Equipment

Property and Equipment at December 31, 2012 and 2011 consisted of the following:

| | <u>2012</u> | <u>2011</u> |
|------------------------------|---------------------|---------------------|
| Land | \$ 208,447 | \$ 208,447 |
| Land Improvements | 194,148 | 194,148 |
| Building | 677,481 | 677,481 |
| Building Improvements | 49,864 | - |
| Furniture and Fixtures | 38,378 | 35,538 |
| Equipment | 531,487 | 519,019 |
| Accumulated Depreciation | (542,935) | (473,870) |
| Total Property and Equipment | <u>\$ 1,156,870</u> | <u>\$ 1,160,763</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 and employees contribute cash periodically throughout the year. The cash contributed during 2012 and 2011 by Board members was \$38,845 and \$160,330 respectively. Total future promises to give made by Board members total \$2,250.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE 7 – SUBSEQUENT EVENTS

The Organization evaluated its December 31, 2012 financial statements for subsequent events through July 2, 2013, 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