



Financial Statements

December 31, 2009 and 2008



Financial Statements

December 31, 2009 and 2008

Post & Associates, LLC
Certified Public Accountants
Marietta, Georgia

2009 Good Samaritan Health Center of Cobb, Inc.

Leadership

Larry Hornsby, M.D., Medical Director
Steve Hansard, D.D.M., M.H.E, Dental Director
Bruce Porter, Operations Manager
Kacie Dougherty, Development Director
Ashley Garrison, Volunteer Coordinator

Board of Directors

Alan Kirk, PhD Chairman
Robert Smith, D.D.S., Board Affairs
David Bottoms, Operations
Steve LaMontagne, Treasurer
Grant Cole, Spiritual Health
Janie Maddox, Fundraising
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To the Board of Directors
Good Samaritan Health Center of Cobb, Inc.
1605 Roberta Drive
Marietta, GA 30008

We have audited the accompanying Statements of Financial Position of Good Samaritan Health Center of Cobb, Inc. (a 501(c)(3) nonprofit organization) as of December 31, 2009 and 2008, and the related Statements of Activities, Cash Flows, and Functional Expenses for the years then ended. These financial statements are the responsibility of Good Samaritan Health Center of Cobb, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 audits provide 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, 2009 and 2008, 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 8, 2010

Post & Associates, LLC - Certified Public Accountants

3475 Dallas Highway, Suite 125 • Marietta, Georgia 30064 • Office: (678) 290-5100 • Fax: (678) 290-3307

1130 Senoia Road, Suite 3-B • Tyrone, Georgia 30290 • Office: (770) 774-1872 • Fax: (770) 774-1873

postcpas.com

Good Samaritan Health Center of Cobb, Inc.

Statement of Financial Position

December 31, 2009 and 2008

	2009	2008
Assets		
Current Assets		
Cash	\$ 455,006	\$ 115,165
Certificates of Deposit	-	705,997
Pledges Receivable	2,900	3,900
Prepaid Insurance	7,410	7,272
Inventory	13,627	7,541
Total Current Assets	<u>478,943</u>	<u>839,875</u>
Capital Assets		
Land	208,447	208,447
Land Improvements	194,148	194,148
Building	677,481	677,481
Furniture and Fixtures	34,222	34,222
Equipment	506,389	501,910
Accumulated Depreciation	(305,779)	(215,249)
Total Capital Assets	<u>1,314,908</u>	<u>1,400,959</u>
Other Assets		
Organizational Costs	540	540
Accumulated Amortization	(540)	(540)
Total Other Assets	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,793,851</u>	<u>\$ 2,240,834</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 15,894	\$ 24,480
Total Current Liabilities	<u>15,894</u>	<u>24,480</u>
Net Assets		
Temporarily Restricted	-	138,899
Unrestricted	1,777,957	2,077,455
Total Net Assets	<u>1,777,957</u>	<u>2,216,354</u>
Total Liabilities & Net Assets	<u>\$ 1,793,851</u>	<u>\$ 2,240,834</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, 2009 and 2008

	2009	2008
Unrestricted Net Assets		
Unrestricted Revenues and Gains:		
Donated Services	\$ 3,789,160	\$ 2,234,581
Donated Medication	1,613,564	1,684,130
General Unrestricted Support	459,843	402,897
Dental Program Revenues	173,349	120,739
Dispensary Program Revenues	73,057	73,622
Medical Program Revenues	166,768	65,518
Interest & Investment Income	13,244	37,953
Special Events	38,353	31,333
Miscellaneous Income	6,708	181
Credit Card Discount Fees	(3,970)	(2,078)
Total Unrestricted Revenues and Gains	6,330,076	4,648,876
Net Assets Released from Restrictions		
Restrictions Satisfied by Payments	380,729	246,330
Total Unrestricted Support and Revenue	6,710,805	4,895,206
Program Costs		
Donated Services	3,789,160	2,234,581
Donated Medication	1,613,564	1,684,130
Salaries and Wages	706,692	599,290
Dental Supplies	55,371	72,674
Employee Benefits	67,537	69,090
Dispensary Costs	49,740	62,970
Dues and Subscriptions	5,241	-
Depreciation	61,434	55,474
Payroll Taxes	55,731	47,109
Medical Lab Costs	33,464	43,643
Medical Supplies	25,321	35,286
Office Supplies	16,073	14,923
Insurance	13,932	13,979
Janitorial and Waste Disposal Services	14,989	11,990
Telephone	9,531	10,667
Licenses	10,000	10,000
Miscellaneous Program Costs	2,220	4,637
Software Maintenance	3,886	3,710
Training and Education	2,899	3,365
Total Program Costs	\$ 6,536,785	\$ 4,977,518

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, 2009 and 2008

	2009	2008
Supporting Services		
Management and General:		
Depreciation	\$ 29,096	\$ 28,694
Marketing Fees	18,172	18,249
Utilities	17,402	18,078
Repair and Maintenance	6,379	9,566
Accounting Fees	9,000	9,000
Salaries and Wages	50,817	48,994
Miscellaneous Expenses	4,677	8,726
Insurance	12,628	6,543
Meetings and Conferences	2,839	4,669
Payroll Fees	3,212	3,319
Payroll Taxes	4,262	4,193
Employee Benefits	5,118	5,903
Telephone and Internet	-	321
Bank Charges	297	175
	163,899	166,430
Fundraising:		
Salaries and Wages	41,606	40,083
Employee Benefits	3,093	5,612
Professional Fundraising Fees	6,206	9,280
Special Events	13,526	-
Payroll Taxes	3,358	3,252
	67,789	58,227
Total Fundraising	67,789	58,227
Total Supporting Services	231,688	224,657
Total Program and Supporting Services Costs	6,768,473	5,202,175
(Decrease) in Unrestricted Net Assets	(57,668)	(306,969)
Temporarily Restricted Net Assets		
Temporarily Restricted Revenues and Gains		
Contributions	-	380,729
Net Assets Released from Restrictions:		
Restrictions Satisfied by Payments	(380,729)	(246,330)
Increase (Decrease) in Temporarily Restricted Net Assets	(380,729)	134,399
(Decrease) in Net Assets	(438,397)	(172,570)
Net Assets Beginning of the Year	2,216,354	2,388,924
Net Assets End of the Year	\$ 1,777,957	\$ 2,216,354

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, 2009 and 2008

	2009	2008
Cash Flows From Operating Activities:		
Change in Net Assets	\$ (438,397)	\$ (172,570)
Noncash Items Included In Net Income:		
Depreciation	90,530	84,168
Adjustments to reconcile change in net assets to net cash used in operating activities:		
(Increase) Decrease in Pledges Receivable	1,000	25,609
(Increase) Decrease in Inventory	(6,087)	5,959
(Increase) Decrease in Prepaid Insurance	(138)	(7,272)
Increase (Decrease) in Accounts Payable	<u>(8,585)</u>	<u>16,416</u>
Net Cash Used in Operating Activities	<u>(361,677)</u>	<u>(47,690)</u>
Cash Flows From Investing Activities:		
Capital Asset Purchases	<u>(4,479)</u>	<u>(121,183)</u>
Net Cash (Used In) Investing Activities	<u>(4,479)</u>	<u>(121,183)</u>
Net (Decrease) In Cash and Cash Equivalents	<u>(366,156)</u>	<u>(168,873)</u>
Cash and Cash Equivalents at Beginning of Year	<u>821,162</u>	<u>990,035</u>
Cash and Cash Equivalents at End of Year	<u>\$ 455,006</u>	<u>\$ 821,162</u>
Non-Cash Transactions:		
Donated Services	3,789,160	2,234,581
Donated Medication	1,613,564	1,684,130

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

Good Samaritan Health Center of Cobb, Inc.

Statement of Functional Expenses

For the Year Ended December 31, 2009

	Program Service	Support Services		Total Expenses
	Health Service	Management and General	Fundraising	
Donated Services	\$ 3,789,160	\$ -	\$ -	\$ 3,789,160
Donated Medication	1,613,564	-	-	1,613,564
Salaries and Wages	706,692	50,817	41,606	799,115
Depreciation and Amortization	61,434	29,096	-	90,530
Employee Benefits	67,537	5,118	3,093	75,748
Dental Supplies	55,371	-	-	55,371
Dispensary Costs	49,740	-	-	49,740
Dues and Subscriptions	5,241	-	-	5,241
Payroll Taxes	55,731	4,262	3,358	63,351
Medical Lab Costs	33,464	-	-	33,464
Medical Supplies	25,321	-	-	25,321
Insurance	13,932	12,628	-	26,560
Marketing	-	18,172	-	18,172
Utilities	-	17,402	-	17,402
Office Supplies	16,073	-	-	16,073
Miscellaneous Expenses	2,220	4,678	-	6,898
Janitorial and Waste Disposal Services	14,987	-	-	14,987
Telephone	9,531	-	-	9,531
License	10,000	-	-	10,000
Repair and Maintenance	-	6,379	-	6,379
Professional Fundraising Fee	-	-	6,206	6,206
Accounting	-	9,000	-	9,000
Meetings and Conferences	-	2,839	-	2,839
Software Maintenance	3,886	-	-	3,886
Training and Education	2,899	-	-	2,899
Special Events	-	-	13,526	13,526
Payroll Processing Fees	-	3,212	-	3,212
Bank Charges	-	297	-	297
	<u>\$ 6,536,783</u>	<u>\$ 163,900</u>	<u>\$ 67,789</u>	<u>\$ 6,768,472</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, 2009

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

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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, 2009

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 under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, 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, 2009 and cash held in checking, certificates of deposit, and money market accounts at December 31, 2008. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investment Securities

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. The investment securities at year end 2008 consisted solely of certificates of deposit.

Accounts Receivable

The Organization has patient receivables of approximately \$200,000, nearly all of which will not be collected. Because the amount which can be reasonably expected to be collected is not a material amount, the Organization has not booked a patient accounts receivable balance. The organization has formulated a policy begun in 2008 which has brought more accountability to the financial obligations that the patients are required to pay.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 2 - CASH

The total cash and cash equivalents held by the Organization at December 31, 2009 was \$455,006, including \$295,402 in monies that are insured by the Federal Deposit Insurance Corporation provided by the federal government.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2009 and 2008 consisted of the following:

	<u>2009</u>	<u>2008</u>
Land	\$208,447	\$208,447
Land Improvements	194,148	194,148
Building	677,481	677,481
Furniture and Fixtures	34,222	34,222
Equipment	506,389	501,910
Accumulated Depreciation	<u>(305,779)</u>	<u>(215,249)</u>
Total Property and Equipment	<u>\$1,314,908</u>	<u>\$1,400,959</u>

NOTE 4 - AMORTIZATION AND DEPRECIATION

SFAS No. 93, *Recognition of Depreciation by Not-for-Profit Organizations*, requires all nonprofit organizations to depreciate long-lived tangible assets that 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.

GOOD SAMARITAN HEALTH CENTER OF COBB, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 6 - RELATED PARTY TRANSACTIONS

Various members of the Organization's Board of Directors contribute cash periodically throughout the year. The cash contributed during 2009 and 2008 by Board members was \$145,255 and \$131,315 respectively. Total future promises to give made by Board members total \$2,900.

NOTE 7 - USE OF MARK AND MODEL

The Organization has entered into a licensing agreement with Good Samaritan Health Center, Inc., a Georgia non-profit corporation (Grantor), by which the Organization has been granted a non-transferable, non-exclusive and limited right to use the Good Samaritan Mark and Model subject to the requirements of the Grantor. The Grantor and the Organization are independent entities. The licensing fee paid in 2009 was \$10,000.