

ATHENS NURSES CLINIC, INC.

FINANCIAL REPORT

JUNE 30, 2022

ATHENS NURSES CLINIC, INC.

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ROBERT BAKER
— & ASSOCIATES, CPAs —

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Athens Nurses Clinic, Inc.
Athens, Georgia

Opinion

We have audited the accompanying financial statements of Athens Nurses Clinic, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial positions of Athens Nurses Clinic, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Athens Nurses Clinic, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts of disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Athens Nurses Clinic, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Athens Nurses Clinic, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control related matters that we identified during the audit.

ROBERT BAKER & ASSOCIATES, CPAs

A handwritten signature in black ink that reads "ROBERT BAKER AND ASSOCIATES". The signature is written in a cursive, flowing style.

Certified Public Accountants

Albany, Georgia

October 6, 2023

ATHENS NURSES CLINIC, INC.
STATEMENT OF FINANCIAL POSITION

June 30, 2022

ASSETS

CURRENT ASSETS	
Cash	<u>\$ 231,446</u>
PROPERTY AND EQUIPMENT, NET	<u>\$ 14,101</u>
TOTAL ASSETS	<u><u>\$ 245,547</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	\$ 4,500
Accrued Payroll Liabilities	<u>1,263</u>
Total Current Liabilities	<u>\$ 5,763</u>
TOTAL LIABILITIES	<u>\$ 5,763</u>
NET ASSETS	
Without Donor Restrictions	\$ 184,678
With Donor Restrictions	<u>55,106</u>
Total Net Assets	<u>\$ 239,784</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 245,547</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

ATHENS NURSES CLINIC, INC.

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
OPERATING GRANTS AND CONTRIBUTIONS			
Local Grants	\$ 87,149	\$ 55,106	\$ 142,255
CDBG Grant	37,480	-	37,480
Donations	228,946	-	228,946
Fees-Chart Copies	335	-	335
Fundraising Events	23,491	-	23,491
Volunteer Nursing Services	273,043	-	273,043
Donated Medicine	5,115	-	5,115
Net Assets Released from Restriction	<u>3,124</u>	<u>(3,124)</u>	<u>-</u>
TOTAL OPERATING GRANTS AND CONTRIBUTIONS	<u>\$ 658,683</u>	<u>\$ 51,982</u>	<u>\$ 710,665</u>
EXPENSES			
Program Services	\$ 743,587	\$ -	\$ 743,587
Support Services:			
Management and General	29,036	-	29,036
Fundraising	<u>9,847</u>	<u>-</u>	<u>9,847</u>
TOTAL EXPENSES	<u>\$ 782,470</u>	<u>\$ -</u>	<u>\$ 782,470</u>
CHANGE IN NET ASSETS	\$ (123,787)	\$ 51,982	\$ (71,805)
NET ASSETS - BEGINNING OF YEAR	<u>308,465</u>	<u>3,124</u>	<u>311,589</u>
NET ASSETS - END OF YEAR	<u>\$ 184,678</u>	<u>\$ 55,106</u>	<u>\$ 239,784</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

ATHENS NURSES CLINIC, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Fiscal Year Ended June 30, 2022

	<u>SUPPORT SERVICES</u>			<u>TOTAL</u>
	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	
PERSONNEL				
Salaries	\$ 288,496	\$ 18,287	\$ 9,144	\$ 315,927
Payroll Taxes	22,170	1,405	703	24,278
Total Personnel	<u>\$ 310,666</u>	<u>\$ 19,692</u>	<u>\$ 9,847</u>	<u>\$ 340,205</u>
OTHER EXPENSES				
Client Benefits	\$ 1,499	\$ -	\$ -	\$ 1,499
Computer Software	-	45	-	45
Conferences and Meetings	222	-	-	222
Dental Supplies	4,511	-	-	4,511
Depreciation	9,516	1,057	-	10,573
Dues and Subscriptions	2,865	318	-	3,183
Insurance and Bonding	4,709	523	-	5,232
Laboratory Services	40,385	-	-	40,385
Medical Records	4,938	-	-	4,938
Medical Supplies	8,856	-	-	8,856
Office Supplies	3,098	344	-	3,442
Other Operating Expense	2,793	310	-	3,103
Postage	-	188	-	188
Prescription Supplies	12,540	-	-	12,540
Professional Fees	11,880	1,320	-	13,200
Rent	18,682	2,076	-	20,758
Supplies	24,386	2,731	-	27,117
Telephone and Internet	3,883	432	-	4,315
Volunteer Nursing Services	273,043	-	-	273,043
Donated Pharmaceuticals	5,115	-	-	5,115
TOTAL EXPENSES	<u>\$ 743,587</u>	<u>\$ 29,036</u>	<u>\$ 9,847</u>	<u>\$ 782,470</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

ATHENS NURSES CLINIC, INC.

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Grants and Contracts	\$ 179,735
Cash Received from Contributions	252,437
Cash Received from Interest and Other Income	335
Cash Disbursed for Payroll and Fringe Benefits	(344,672)
Cash Disbursed for Other Operating Expenses	<u>(149,034)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (61,199)</u>
NET DECREASE IN CASH	\$ (61,199)
CASH - BEGINNING OF YEAR	<u>292,645</u>
CASH- END OF YEAR	<u><u>\$ 231,446</u></u>
Reconciliation of Changes in Net Assets to Cash	
Used by Operating Activities	
Changes in Net Assets	\$ (71,805)
Adjustments to Reconcile Changes in Net Assets to	
Cash Used by Operating Activities	
Depreciation	10,573
Decrease in Payroll Liabilities	(4,467)
Increase in Accounts Payable	<u>4,500</u>
NET CASH USED IN OPERATING ACTIVITIES	<u><u>\$ (61,199)</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

ATHENS NURSES CLINIC, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

The Athens Nurses Clinic, Inc. is a nonprofit safety net health care clinic providing free evaluation, treatment and education for acute and chronic medical and dental conditions to uninsured, low income residents of Athens-Clarke County and the surrounding counties.

The following Significant Accounting Policies have been followed in the preparation of these financial statements:

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities. Revenues are recorded when earned and expenses are recorded when incurred.

FINANCIAL STATEMENT PRESENTATION

NET ASSETS

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets With Donor Restrictions - Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor-restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

CASH AND CASH EQUIVALENTS

The Organization maintains its cash in bank deposit accounts and brokerage accounts which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization considers all highly liquid securities purchased with a maturity date of 3 months or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Fixed asset purchases by the Organization are recorded at cost. Donated assets are recorded at fair market value. The Organization provides for depreciation on the straight-line method over the estimated useful life of the asset as follows:

Furniture and Equipment	7 years
Medical Equipment	7 years

ATHENS NURSES CLINIC, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

REVENUE RECOGNITION

The Organization recognizes revenues from various Foundations and local grants and public support. Earned revenues represent fees earned, revenue generated through the performance or provision of services or revenue generated through investment. These revenues are recorded when earned, which occurs when the service is performed, or the funds are expended. Grant revenues are recognized when received unless other Grantor requirements must be met for recognition. Public support represents unconditional gifts in a voluntary nonreciprocal transfer. The Organization recognized all contributed public support received as income in the period pledged.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BUDGETARY RESTRICTIONS

Line item budgets were developed as part of the grant agreements. Provisions were made for revision of the budgets during the year. The budgeted amounts shown in the accompanying statements reflect the final revised budgets for the grants. All budgets were prepared on the accrual basis of accounting, and are consistent with accounting principles generally accepted in the United States of America.

INCOME TAXES

The Organization's activities are generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense.

Income tax benefits are recognized for income tax positions taken, or expected to be taken, in a tax return only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows. Accordingly, the Organization has not recorded any tax assets or liabilities, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2022. The Organization would recognize interest and penalties, if any, related to unrecognized tax benefits in interest expense.

All tax exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualifications of the tax-exempt organization under the Internal Revenue Code and applicable state statutes. There currently are no audits of the Organization's returns in progress. With few exceptions, the Organization is no longer subject to U.S. federal income tax examinations for the tax years before 2015.

ATHENS NURSES CLINIC, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

NON-CASH DONATIONS

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

CONTRIBUTED SERVICES AND MATERIALS

A substantial portion of Athens Nurses Clinic, Inc.'s services are conducted by unpaid volunteers. Licensed nursing services performed by volunteers are recognized as required by SFAS No. 116. No other amounts have been reflected in the financial statements for donated services because the criteria for recognition under SFAS No. 116 have not been satisfied.

	<u>Number of Hours</u>	<u>Estimated Value</u>
Licensed Volunteer Healthcare Providers	3,905	\$ 273,043
DPH Trained Volunteers	1,150	29,645
General Administrative Volunteers	6,450	<u>238,379</u>
		<u>\$ 541,067</u>

The Organization received 11,505 total hours valued at \$541,067 from 134 volunteers during this fiscal year. Volunteer hours are valued at various hourly rates based on the services provided.

The Organization records, at fair market value, donated materials for which the value is readily ascertainable, and the use of the materials can be traced within the Organization. The fair market value of medicines donated to the Agency for fiscal year 2022 was \$5,115. This amount has been reflected in the financial statements as "Donated Medicine."

The Athens Nurses Clinic, Inc. distributed approximately \$2.55 million of pharmaceuticals that were donated through various programs, directly to patients.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing 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.

SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through October 6, 2023, the date on which the financial statements were available to be issued.

ATHENS NURSES CLINIC, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following:

Cash		\$	<u>231,446</u>
Less:			
Accounts Payable		\$	4,500
Payroll Taxes Payable			<u>1,263</u>
		\$	<u>5,763</u>
			<u>225,683</u>

The Organization provides services under grants and performs fundraising activities to generate income. The income is available for general expenditure at the discretion of the Organization based on the budgeted amounts.

NOTE 3 - DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022, are summarized as follows:

As reported in the Statement of Net Assets:			
Cash		\$	<u>231,446</u>
Cash deposited with financial institutions:		\$	<u>259,053</u>

NOTE 4 - PROPERTY AND EQUIPMENT

Changes in property and equipment for the fiscal year ended June 30, 2022 are as follows:

	<u>July 01, 2021</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2022</u>
Furniture and Equipment	\$ 23,331	\$ -	\$ -	\$ 23,331
Medical Equipment	<u>102,490</u>	<u>-</u>	<u>-</u>	<u>102,490</u>
	\$ 125,821	\$ -	\$ -	\$ 125,821
Accumulated Depreciation	<u>(101,147)</u>	<u>(10,573)</u>	<u>-</u>	<u>(111,720)</u>
Net	<u>\$ 24,674</u>	<u>\$ (10,573)</u>	<u>\$ -</u>	<u>\$ 14,101</u>

ATHENS NURSES CLINIC, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 - DONOR RESTRICTED NET ASSETS

Net Assets with donor restrictions consists of the following at June 30, 2022:

Georgia Baptist Foundation Grant	\$ 48,335
It's the Journey Grant	<u>6,771</u>
	<u>\$ 55,106</u>

Net assets released from net assets with donor restrictions are as follows:

Satisfaction of purpose restrictions:

It's the Journey Grant	<u>\$ 3,124</u>
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