



# Access Now, Inc.

## Financial Statements

December 31, 2018

# ***Access Now, Inc.***

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## ***Independent Auditor's Report***

Board of Directors  
Access Now, Inc.  
Richmond, Virginia

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Access Now, Inc., which comprise the statement of financial position as of December 31, 2018, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility***

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Access Now, Inc., as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Mitchell Wiggins*

Richmond, Virginia  
March 26, 2019

***Access Now, Inc.***

***Statement of Financial Position  
December 31, 2018***

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 403,637
Certificates of deposit	252,804
Grants receivable	20,000
Contributions receivable	37,951
Prepaid expenses	2,982
<b>Total current assets</b>	<b>717,374</b>

**Property and Equipment**

Office furniture and fixtures	23,304
Office equipment	14,430
Telephone system	1,527
Leasehold improvements	3,844
	<u>43,105</u>
Less accumulated depreciation	34,761
	<u>8,344</u>

<b>Total assets</b>	<b>\$ 725,718</b>
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**Liabilities and Net Assets**

**Current Liabilities**

Accounts payable and other current liabilities	\$ 73,546
<b>Total current liabilities</b>	<b>73,546</b>

**Net Assets**

Without donor restrictions	<u>652,172</u>
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<b>Total liabilities and net assets</b>	<b>\$ 725,718</b>
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*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Activities***

***Year Ended December 31, 2018***

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<b>Changes in Net Assets</b>	
Revenues and support	
Contributions	\$ 273,138
Grants	268,921
Contributed services	5,483,725
Interest income	<u>6,193</u>
<b>Total revenues and support</b>	<u><b>6,031,977</b></u>
Expenses	
Program	5,889,281
Administrative and general	55,106
Fundraising	<u>29,352</u>
<b>Total expenses</b>	<u><b>5,973,739</b></u>
<b>Change in net assets</b>	<b>58,238</b>
Net assets, beginning	<u>593,934</u>
Net assets, ending	<u><b>\$ 652,172</b></u>

*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Functional Expenses  
Year Ended December 31, 2018***

	<b>Program</b>	<b>Administrative and General</b>	<b>Fundraising</b>	<b>Total</b>
RAM personnel support reimbursement				
Payroll	\$ 178,582	\$ 8,942	\$ 3,827	\$ 191,351
Benefits and payroll taxes	37,561	1,839	736	40,136
Management fee	96,380	26,065	19,055	141,500
Accounting	-	8,000	-	8,000
Depreciation	3,825	187	75	4,087
Dues and conferences	2,650	275	420	3,345
Equipment lease	11,324	554	222	12,100
Insurance	2,900	2,178	8	5,086
Medical services	5,483,725	-	-	5,483,725
Meetings	1,050	2,301	-	3,351
Miscellaneous	561	567	-	1,128
Office expense	11,123	818	99	12,040
Postage	3,557	-	2,371	5,928
Public relations	5,726	1,909	2,113	9,748
Rent	15,747	771	308	16,826
Software and computer support	18,178	379	-	18,557
Taxes and licenses	491	25	-	516
Telephone	6,051	296	118	6,465
VAFC grant administration fee	9,850	-	-	9,850
	<b>\$ 5,889,281</b>	<b>\$ 55,106</b>	<b>\$ 29,352</b>	<b>\$ 5,973,739</b>

*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Cash Flows***  
***Year Ended December 31, 2018***

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<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ 58,238
<b><i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</i></b>	
Depreciation	4,087
<b><i>Changes in operating assets</i></b>	
Grants receivable	16,201
Contributions receivable	(34,129)
Prepaid expenses	12,003
<b><i>Changes in operating liabilities</i></b>	
Accounts payable and other current liabilities	66,488
<b>Net cash provided by operating activities</b>	<u>122,888</u>
<b>Cash Flows from Investing Activities</b>	
Purchase of property and equipment	(4,603)
Purchase of certificates of deposit	(253,730)
Proceeds from redemption of certificates of deposit	250,926
<b>Net cash (used in) investing activities</b>	<u>(7,407)</u>
<b>Net change in cash and cash equivalents</b>	115,481
Cash and cash equivalents, beginning	<u>288,156</u>
Cash and cash equivalents, ending	<u>\$ 403,637</u>

*See Notes to Financial Statements*

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2018***

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***Note 1. Nature of Organization and Summary of Significant Accounting Policies***

***Nature of organization***

Access Now, Inc. (the Organization) is a nonprofit corporation organized under the laws of Virginia with a sole member, Richmond Academy of Medicine, Inc., a Virginia nonprofit corporation. The Organization operates as a community partnership to improve access to health care for low-income, uninsured residents of the greater Richmond metropolitan area. The Organization connects the care received in a local clinic or health system with donated medical care in a coordinated referral program. The Organization's network includes over 1,000 providers who have generously volunteered to provide free specialty care to uninsured, low-income patients. The Organization's volunteers provided more than five million dollars in pro-bono medical care in 42 medical specialties. The Organization's leadership and volunteers are committed to serving the medical needs of the Richmond community. The Organization's support comes primarily from contributions and grants.

A summary of the Organization's significant accounting policies follows:

***Financial statement presentation***

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions include resources available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions include contributions with donor-imposed restrictions that may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or that may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At December 31, 2018, the Organization had no net assets with donor restrictions.

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2018***

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***Note 1. Summary of Organization and Summary of Significant Accounting Policies  
(continued)***

***Cash and cash equivalents***

The Organization considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents. The Organization, at times, may have cash and investments in excess of insured limits. At December 31, 2018, the Organization had balances that were in excess of insured limits.

***Certificates of deposit***

Certificates of deposits have a maturity greater than three months. The Organization values these amounts at original cost plus accrued interest, which approximates fair value.

***Grants and contributions receivable***

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributions receivable are periodically evaluated for collectability based on past history and current financial condition. If necessary, an allowance for loss on contributions receivable is provided based on management's evaluation of the collectability of individual contributions. At December 31, 2018, no allowance was deemed necessary by management.

***Property and equipment***

Acquisitions of property and equipment are recorded at cost. Major repairs and betterments are capitalized, and normal maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets.

***Income taxes***

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation. The Organization is subject to tax on any unrelated business income that it may generate.

The Financial Accounting Standards Board issued guidance on accounting for uncertainty in income taxes. Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, the Organization is no longer subject to income tax examinations by the taxing authorities for years ending before December 31, 2015.

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2018***

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***Note 1. Summary of Organization and Summary of Significant Accounting Policies (continued)***

The Organization includes penalties and interest assessed by income taxing authorities in administrative and general expenses. The Organization did not have penalties and interest relating to income taxes for the year ended December 31, 2018.

***Advertising costs***

The Organization follows the policy of charging the costs of advertising to expense as incurred.

***Donations in-kind***

Revenue and expenses are recognized for the estimated fair value of goods and services contributed by donors in support of the Organization. The recorded donations in-kind relate to medical services provided by doctors and totaled \$5,483,725 for the year ended December 31, 2018.

Some practices or physicians may report to the Organization values of donated services provided in the current year after the audit report date. Such values are not included in the audited financial statements.

***Functional expenses***

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among program and supporting services.

***Use of estimates***

The preparation of financial statements in conformity with generally accepted accounting principles 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.

***Recently issued accounting standards***

In 2016, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Entities*. The Organizations adopted the provisions of this new standard during the year ended December 31, 2018. The new standard changes the following aspects of the financial statements:

- The unrestricted net asset class has been renamed net assets without donor restrictions;
- The financial statements include expenses by nature and function; and
- The financial statements include a disclosure about liquidity and availability of resources (Note 2).

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2018***

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***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 December 31, 2018 are:

Cash and cash equivalents	\$ 403,637
Certificates of deposit	252,804
Grants receivable	20,000
Contributions receivable	<u>37,951</u>
Amounts available for general expenditures within one year	<u>\$ 714,392</u>

As part of its liquidity management, the Organization holds cash and certificates of deposit which could be redeemed in the short term if needed. Management and the Board of Directors regularly monitor the liquidity needs of the Organization.

***Note 3. Related-Party Transactions***

The Organization has multiple month-to-month leases with Richmond Academy of Medicine, Inc. to lease telephones and computer equipment. These leases will continue until the equipment is returned to the leasing agency or to Richmond Academy of Medicine, Inc. As the leased equipment is changed, the monthly lease payment is adjusted. During 2018, the Organization paid \$12,100 in lease payments.

The Organization has a month-to-month lease arrangement to lease office space from Richmond Academy of Medicine, Inc. The total rent expense for office space for the year ended December 31, 2018 was \$16,826.

Richmond Academy of Medicine, Inc. also provides administrative support to the Organization. For the year ended December 31, 2018, reimbursements for personnel support totaled \$372,987. Amounts due to the Richmond Academy of Medicine, Inc. as of December 31, 2018 for personnel support, administrative support, and supplies total \$62,799.

***Note 4. Concentration of Contributions***

During 2018, 41% of the Organization's total non-in-kind support and revenue came from two donors.

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2018***

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***Note 5. Subsequent Events***

Management has evaluated subsequent events through March 26, 2019, the date which the financial statements were available for issue.