

# Access Now, Inc.

## Financial Statements

December 31, 2015

# ***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, 2015, 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, 2015, 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 & Company LLP*

Richmond, Virginia  
March 23, 2016

***Access Now, Inc.***

***Statement of Financial Position  
December 31, 2015***

**Assets**

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**Current Assets**

Cash and cash equivalents	\$ 363,370
Certificate of deposit	100,000
Grants receivable	22,264
Interest receivable	129
Prepaid expenses	12,783
<b>Total current assets</b>	<b>498,546</b>

**Property and Equipment**

Office furniture and fixtures	23,304
Office equipment	6,786
Telephone system	1,527
Leasehold improvements	3,844
	<u>35,461</u>
Less accumulated depreciation	24,237
	<u>11,224</u>

**Total assets** \$ 509,770

**Liabilities and Net Assets**

**Current Liabilities**

Accounts payable	\$ 1,378
Accrued vacation	4,849
<b>Total current liabilities</b>	<u>6,227</u>

**Net Assets**

Unrestricted	<u>503,543</u>
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**Total liabilities and net assets** \$ 509,770

*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Activities***

***Year Ended December 31, 2015***

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**Changes in Unrestricted Net Assets**

Revenues and support	
Contributions	\$ 259,184
Grants	196,884
Contributed services	3,003,685
Interest income	258
<b>Total revenues and support</b>	<b><u>3,460,011</u></b>
 Expenses	
Program	3,321,455
Administrative and general	70,248
Fundraising	25,502
<b>Total expenses</b>	<b><u>3,417,205</u></b>
 <b>Change in net assets</b>	<b>42,806</b>
 Net assets, beginning	<u>460,737</u>
 Net assets, ending	<b><u>\$ 503,543</u></b>

*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Functional Expenses  
Year Ended December 31, 2015***

	<b>Program</b>	<b>Administrative and General</b>	<b>Fundraising</b>	<b>Total</b>
Wages	\$ 148,244	\$ 16,695	\$ 11,095	\$ 176,034
Payroll taxes	10,852	1,222	812	12,886
Employee benefits	20,528	2,311	1,536	24,375
Pension plan	2,421	273	181	2,875
RAM personnel support reimbursement	58,283	19,872	3,945	82,100
Accounting	-	6,500	-	6,500
Consulting	-	-	3,045	3,045
Depreciation	2,966	330	-	3,296
Dues and conferences	2,378	57	-	2,435
Equipment lease	7,560	5,607	1,402	14,569
Insurance	355	2,799	27	3,181
Medical services	3,003,685	-	-	3,003,685
Meetings	984	1,148	-	2,132
Miscellaneous	629	483	-	1,112
Office expense	7,815	2,444	-	10,259
Payroll service	1,884	212	141	2,237
Postage	2,611	-	1,740	4,351
Public relations	2,307	6,921	1,256	10,484
Rent and utilities	20,708	2,301	-	23,009
Software and computer support	17,483	702	-	18,185
Taxes and licenses	674	49	-	723
Telephone	5,787	322	322	6,431
VAFC grant administration fee	3,301	-	-	3,301
	<b>\$ 3,321,455</b>	<b>\$ 70,248</b>	<b>\$ 25,502</b>	<b>\$ 3,417,205</b>

*See Notes to Financial Statements*

***Access Now, Inc.***

***Statement of Cash Flows***  
***Year Ended December 31, 2015***

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<b>Cash Flows From Operating Activities</b>	
Change in net assets	\$ 42,806
<b><i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</i></b>	
Depreciation	3,296
<b><i>Changes in operating assets</i></b>	
Grants receivable	(10,671)
Other accounts receivable	401
Interest receivable	(129)
Prepaid expenses	3,674
<b><i>Changes in liabilities</i></b>	
Accounts payable	982
Accrued vacation	3,357
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<b>Net cash provided by operating activities</b>	<b>43,716</b>
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<b>Cash Flows From Investing Activities</b>	
Purchase of property and equipment	(2,112)
Purchase of certificate of deposit	(100,000)
<b>Net cash (used in) investing activities</b>	<b>(102,112)</b>
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<b>Net change in cash and cash equivalents</b>	<b>(58,396)</b>
Cash and cash equivalents, beginning	421,766
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Cash and cash equivalents, ending	<b>\$ 363,370</b>
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*See Notes to Financial Statements*

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2015***

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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 800 providers who have generously volunteered to provide free specialty care to uninsured, low-income patients. The Organization's volunteers provided more than three million dollars in pro-bono medical care in 28 specialty areas. 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***

Under current accounting standards, 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.

Unrestricted net assets include amounts available to be used currently for the general operations of the Organization. Temporarily and permanently restricted net assets include contributions restricted by donor designation. When a restriction expires either with the passage of time or by actions of the Organization, temporarily restricted net assets are released and reclassified to unrestricted net assets. Currently, the Organization does not have any temporarily or permanently restricted net assets.

Contributions received are considered to be available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions.

***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, 2015, the Organization had balances included in cash and cash equivalents that were in excess of insured limits.

***Certificates of deposit***

Certificates of deposit are held in a brokerage account and are stated at cost adjusted for earnings.

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2015***

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

***Grants receivable***

Grants 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 unrestricted net assets 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 grants receivable is provided based on management's evaluation of the collectability of individual grants. At December 31, 2015, 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, 2012.

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, 2015.

***Advertising costs***

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

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2015***

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

***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 \$3,003,685 for the year ended December 31, 2015.

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.

***Note 2. Cash Management***

As part of the Organization's cash management program, receipts that will not be used for operations immediately may be invested in certificates of deposit (CDs) until needed. These CDs may be cashed in when needed to meet the Organization's cash requirements and, accordingly, have been classified as current assets.

***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 2015, the Organization paid \$14,569 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, 2015, was \$23,009.

***Access Now, Inc.***

***Notes to Financial Statements***

***December 31, 2015***

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***Note 3. Related-Party Transactions (continued)***

Richmond Academy of Medicine, Inc., also provides administrative support to the Organization. For the year ended December 31, 2015, reimbursements for personnel support totaled \$82,100.

***Note 4. Defined Contribution Plan***

Effective January 1, 2010, the Organization participates in the Richmond Academy of Medicine 401(k) plan that covers all eligible employees. Contributions to the plan are determined by the Board of Directors. Total plan expenses for 2015 were \$2,875.

***Note 5. Concentration of Contributions***

During 2015, 38% of the Organization's total non-in-kind support and revenue came from three donors.

***Note 6. Subsequent Events***

Management has evaluated subsequent events through March 23, 2016, the date which the financial statements were available for issue.