

Access Now, Inc.

Financial Statements

December 31, 2016

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, 2016, 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, 2016, 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 14, 2017

Access Now, Inc.

***Statement of Financial Position
December 31, 2016***

Assets

Current Assets

Cash and cash equivalents	\$ 505,146
Grants receivable	27,344
Contributions receivable	5,486
Prepaid expenses	14,342
Total current assets	552,318

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	<u>27,422</u>
	<u>8,039</u>

Total assets \$ 560,357

Liabilities and Net Assets

Current Liabilities

Accounts payable	\$ 48,205
Accrued liabilities	1,000
Total current liabilities	<u>49,205</u>

Net Assets

Unrestricted	<u>511,152</u>
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Total liabilities and net assets \$ 560,357

See Notes to Financial Statements

Access Now, Inc.

Statement of Activities

Year Ended December 31, 2016

Changes in Unrestricted Net Assets	
Revenues and support	
Contributions	\$ 235,869
Grants	202,779
Contributed services	3,843,536
Interest income	438
Miscellaneous income	5,727
Total revenues and support	<u>4,288,349</u>
Expenses	
Program	4,192,880
Administrative and general	60,333
Fundraising	27,527
Total expenses	<u>4,280,740</u>
Change in net assets	7,609
Net assets, beginning	<u>503,543</u>
Net assets, ending	<u>\$ 511,152</u>

See Notes to Financial Statements

Access Now, Inc.

***Statement of Functional Expenses
Year Ended December 31, 2016***

	Program	Administrative and General	Fundraising	Total
RAM personnel support reimbursement	\$ 277,191	\$ 36,803	\$ 21,659	\$ 335,653
Accounting	-	6,850	-	6,850
Depreciation	2,867	318	-	3,185
Donation	-	100	-	100
Dues and conferences	2,275	29	350	2,654
Equipment lease	7,500	6,000	1,500	15,000
Insurance	1,359	2,772	7	4,138
Legal	-	88	-	88
Medical services	3,843,536	-	-	3,843,536
Meetings	809	1,328	-	2,137
Miscellaneous	484	571	350	1,405
Office expense	6,912	994	-	7,906
Postage	3,079	-	2,053	5,132
Public relations	5,834	1,945	1,608	9,387
Rent	12,703	1,411	-	14,114
Software and computer support	15,441	426	-	15,867
Taxes and licenses	1,075	25	-	1,100
Telephone	6,061	673	-	6,734
Travel	156	-	-	156
VAFC grant administration fee	5,598	-	-	5,598
	\$ 4,192,880	\$ 60,333	\$ 27,527	\$ 4,280,740

See Notes to Financial Statements

Access Now, Inc.

Statement of Cash Flows
Year Ended December 31, 2016

Cash Flows From Operating Activities	
Change in net assets	\$ 7,609
<i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</i>	
Depreciation	3,185
<i>Changes in operating assets</i>	
Grants receivable	(5,080)
Contributions receivable	(5,486)
Interest receivable	129
Prepaid expenses	(1,559)
<i>Changes in operating liabilities</i>	
Accounts payable	46,827
Accrued liabilities	(3,849)
Net cash provided by operating activities	<u>41,776</u>
Cash Flows From Investing Activities	
Redemption of certificate of deposit	<u>100,000</u>
Net cash provided by investing activities	<u>100,000</u>
Net change in cash	141,776
Cash and cash equivalents, beginning	<u>363,370</u>
Cash and cash equivalents, ending	<u>\$ 505,146</u>

See Notes to Financial Statements

Access Now, Inc.

Notes to Financial Statements

December 31, 2016

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, 2016, the Organization had balances that were in excess of insured limits.

Access Now, Inc.

Notes to Financial Statements

December 31, 2016

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

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 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 contributions receivable is provided based on management's evaluation of the collectability of individual contributions. At December 31, 2016, 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, 2013.

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, 2016.

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, 2016

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 \$3,843,536 for the year ended December 31, 2016.

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. 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 2016, the Organization paid \$15,000 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, 2016 was \$14,114.

Richmond Academy of Medicine, Inc., also provides administrative support to the Organization. For the year ended December 31, 2016, reimbursements for personnel support totaled \$335,653. Amounts due to the Richmond Academy of Medicine, Inc. as of December 31, 2016 for personnel support, administrative support, and supplies total \$48,105.

Access Now, Inc.

Notes to Financial Statements

December 31, 2016

Note 3. Concentration of Contributions

During 2016, 41% of the Organization's total non-in-kind support and revenue came from three donors.

Note 4. Subsequent Events

Management has evaluated subsequent events through March 14, 2017, the date which the financial statements were available for issue.