

**MISSION OF MERCY, INC.**

**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**



**CPAs &  
BUSINESS  
ADVISORS**

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## INDEPENDENT AUDITORS' REPORT

October 27, 2016

Board of Directors  
Mission of Mercy, Inc.  
Gettysburg, Pennsylvania

We have audited the accompanying financial statements of Mission of Mercy, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. 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 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 auditors' 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 Mission of Mercy, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses by region on pages 20 - 22 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*RLH CPAs & Business Advisors, LLC*

Frederick, Maryland

**MISSION OF MERCY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2016 AND 2015**

	2016	2015
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 400,907	\$ 387,013
Unconditional Promises to Give (Less Allowance for Uncollectible Promises of \$5,393 and \$9,542, respectively)	39,923	160,554
Inventory	1,214,962	798,637
Prepaid Expenses	1,397	2,708
Donated Asset Held for Resale	-	15,000
<b>TOTAL CURRENT ASSETS</b>	<b>1,657,189</b>	<b>1,363,912</b>
<b>PROPERTY AND EQUIPMENT</b>		
Dental Equipment	42,230	33,737
Medical Equipment	115,485	46,512
Office Equipment	52,877	52,205
Vehicles	983,053	955,678
	1,193,645	1,088,132
Less: Accumulated Depreciation	905,616	813,116
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>288,029</b>	<b>275,016</b>
<b>OTHER ASSETS</b>		
Security Deposit	3,517	3,517
Unconditional Promises to Give (Less Allowance for Uncollectible Promises of \$36,214 and \$17,404, respectively)	259,777	279,063
<b>TOTAL OTHER ASSETS</b>	<b>263,294</b>	<b>282,580</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,208,512</b>	<b>\$ 1,921,508</b>

See Accompanying Notes

**MISSION OF MERCY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2016 AND 2015**

	2016	2015
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 89,112	\$60,644
Accrued Payroll Taxes	7,416	7,154
Accrued Salaries	97,022	94,761
Line of Credit	125,076	175,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>318,626</b>	<b>337,559</b>
<b>TOTAL LIABILITIES</b>	<b>318,626</b>	<b>337,559</b>
<b>NET ASSETS</b>		
Unrestricted		
Undesignated	1,019,577	707,187
Board Designated	4,583	4,584
Total Unrestricted	1,024,160	711,771
Temporarily Restricted	865,726	872,178
<b>TOTAL NET ASSETS</b>	<b>1,889,886</b>	<b>1,583,949</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,208,512</b>	<b>\$ 1,921,508</b>

See Accompanying Notes

**MISSION OF MERCY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT, REVENUE, AND GAINS</b>						
<b>SUPPORT</b>						
Contributions	\$ 1,447,100	\$ 663,591	\$ 2,110,691	\$ 1,830,004	\$ 623,317	\$ 2,453,321
Donated Facilities	141,142	-	141,142	112,319	-	112,319
Donated Lab and X-Ray Services	2,036,368	-	2,036,368	1,766,577	-	1,766,577
Donated Services	1,741,009	-	1,741,009	1,674,920	-	1,674,920
Donated Supplies and Equipment	1,919,959	-	1,919,959	1,337,531	-	1,337,531
Indigent Drug Program	798,995	-	798,995	333,851	-	333,851
<b>TOTAL SUPPORT</b>	<b>8,084,573</b>	<b>663,591</b>	<b>8,748,164</b>	<b>7,055,202</b>	<b>623,317</b>	<b>7,678,519</b>
<b>REVENUE AND GAINS</b>						
Special Events	280,880	-	280,880	215,608	-	215,608
Miscellaneous Revenues	636	-	636	6,326	-	6,326
Interest Income	1,096	-	1,096	1,008	-	1,008
Gain on Asset Disposal	3,811	-	3,811	-	-	-
<b>TOTAL REVENUE AND GAINS</b>	<b>286,423</b>	<b>-</b>	<b>286,423</b>	<b>222,942</b>	<b>-</b>	<b>222,942</b>
<b>RESTRICTIONS SATISFIED BY PAYMENTS AND EXPIRATION OF TIME</b>	<b>670,043</b>	<b>(670,043)</b>	<b>-</b>	<b>617,194</b>	<b>(617,194)</b>	<b>-</b>
<b>TOTAL SUPPORT, REVENUE, AND GAINS</b>	<b>9,041,039</b>	<b>(6,452)</b>	<b>9,034,587</b>	<b>7,895,338</b>	<b>6,123</b>	<b>7,901,461</b>

See Accompanying Notes

**MISSION OF MERCY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>EXPENSES AND LOSSES</b>						
Program Services	7,710,957	-	7,710,957	5,968,116	-	5,968,116
Management and General	443,052	-	443,052	423,933	-	423,933
Fundraising	484,095	-	484,095	521,669	-	521,669
Special Events	90,431	-	90,431	95,013	-	95,013
Loss on Impairment	-	-	-	50,000	-	50,000
Loss on Investment	115	-	115	-	-	-
<b>TOTAL EXPENSES AND LOSSES</b>	<b>8,728,650</b>	<b>-</b>	<b>8,728,650</b>	<b>7,058,731</b>	<b>-</b>	<b>7,058,731</b>
<b>CHANGE IN NET ASSETS</b>	<b>312,389</b>	<b>(6,452)</b>	<b>305,937</b>	<b>836,607</b>	<b>6,123</b>	<b>842,730</b>
Net Assets - Beginning of Year	711,771	872,178	1,583,949	(124,836)	866,055	741,219
<b>NET ASSETS - END OF YEAR</b>	<b>\$1,024,160</b>	<b>\$ 865,726</b>	<b>\$1,889,886</b>	<b>\$ 711,771</b>	<b>\$ 872,178</b>	<b>\$1,583,949</b>

See Accompanying Notes



# MISSION OF MERCY, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

### FOR THE YEARS ENDED JUNE 30, 2016 AND JUNE 30, 2015

	2016						2015					
	Program Services			Supporting Services			Program Services			Supporting Services		
	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses
Salaries	\$ 720,822	\$ 56,192	\$ 777,014	\$ 180,396	\$ 177,906	\$ 1,135,316	\$ 700,291	\$ 55,455	\$ 755,746	\$ 180,894	\$ 175,424	\$ 1,112,064
Employee Benefits	95,935	6,261	102,196	20,688	22,868	145,752	102,920	7,352	110,272	23,231	27,312	160,815
Payroll Taxes	56,616	4,290	60,906	14,211	14,243	89,360	58,495	4,533	63,028	15,140	14,758	92,926
Advertising	-	-	-	50	120	170	554	-	554	769	2,025	3,348
Bank Charges	6,630	2,233	8,863	16,109	6,555	31,527	6,650	2,052	8,702	15,466	6,018	30,186
Board and Committee Expense	1,236	36	1,272	2,620	144	4,036	1,157	103	1,260	1,821	365	3,446
Books and Subscriptions	7,131	770	7,901	450	7,104	15,455	5,866	675	6,541	174	7,467	14,182
Clinic Supplies	15,876	-	15,876	-	-	15,876	15,439	-	15,439	-	-	15,439
Consultants	19,127	23,875	43,002	7,480	4,000	54,482	25,323	29,583	54,906	20,646	44,727	120,279
Dental Supplies	3,753	-	3,753	-	-	3,753	2,953	-	2,953	-	-	2,953
Depreciation	96,937	118	97,055	3,833	345	101,233	109,073	115	109,188	3,136	359	112,683
Donated Facilities	124,612	580	125,192	14,250	1,700	141,142	93,129	500	93,629	17,224	1,466	112,319
Donated Lab and X-Ray Services	2,036,368	-	2,036,368	-	-	2,036,368	1,766,577	-	1,766,577	-	-	1,766,577
Donated Services	1,713,729	3,822	1,717,551	12,247	11,211	1,741,009	1,668,863	800	1,669,663	2,610	2,647	1,674,920
Donated Supplies and Equipment	1,515,617	-	1,515,617	-	-	1,515,617	607,270	-	607,270	-	-	607,270
Donor Development	-	-	-	-	16,999	16,999	-	-	-	-	42,927	42,927
Dues and Memberships	2,027	76	2,103	2,216	1,095	5,414	788	183	971	2,901	1,627	5,499
Equipment Leasing	5,747	1,937	7,684	5,679	4,428	17,791	4,027	1,285	5,312	1,360	2,861	9,533
Indigent Drugs	787,502	-	787,502	-	-	787,502	335,878	-	335,878	-	-	335,878
Insurance	50,810	82	50,892	3,036	239	54,167	46,585	1,009	47,594	3,758	1,502	52,854
Interest	-	-	-	9,781	-	9,781	-	-	-	8,233	-	8,233
License and Registration	11,326	253	11,579	2,395	500	14,474	10,314	126	10,440	2,497	710	13,647
Medical Supplies	24,487	-	24,487	-	-	24,487	20,639	-	20,639	-	-	20,639
Medications	77,669	-	77,669	-	-	77,669	83,456	-	83,456	-	-	83,456
Miscellaneous	19,955	149	20,104	2,661	916	23,681	14,385	23	14,408	2,018	1,479	17,905
Network Hosting	17,636	1,240	18,876	13,459	3,607	35,942	1,046	42	1,088	758	558	2,404
Office Supplies	-	1,329	1,329	12,070	1,573	14,972	-	1,625	1,625	15,897	1,352	18,874
Patient and Client Programs	-	12,710	12,710	-	-	12,710	-	4,064	4,064	-	-	4,064
Postage	1,266	50	1,316	5,590	7,817	14,723	2,623	117	2,740	11,108	5,998	19,846
Printing	4,829	712	5,541	5,461	21,350	32,352	6,760	1,499	8,259	8,864	12,207	29,330
Professional Fees	58,878	12,205	71,083	47,597	127,981	246,661	37,507	12,055	49,562	36,329	124,606	210,497
Rent	33,516	12,943	46,459	24,255	26,643	97,357	28,274	10,383	38,657	20,352	22,777	81,786
Repairs and Maintenance	13,460	-	13,460	619	-	14,079	27,478	-	27,478	173	-	27,651
Telephone	10,156	2,314	12,470	9,057	6,527	28,054	9,999	2,413	12,412	10,282	6,468	29,162
Travel and Entertainment	16,581	4,015	20,596	19,295	16,602	56,493	17,066	2,956	20,022	15,335	13,330	48,687
Tuition and Education	2,279	-	2,279	4,471	950	7,700	2,439	2,125	4,564	1,645	-	6,209
Utilities	2,858	277	3,135	3,076	672	6,883	2,994	224	3,218	1,312	699	5,229
Vehicle Expense	7,117	-	7,117	-	-	7,117	10,001	-	10,001	-	-	10,001
<b>TOTAL EXPENSES</b>	<b>\$ 7,562,488</b>	<b>\$ 148,469</b>	<b>\$ 7,710,957</b>	<b>\$ 443,052</b>	<b>\$ 484,095</b>	<b>\$ 8,638,104</b>	<b>\$ 5,826,819</b>	<b>\$ 141,297</b>	<b>\$ 5,968,116</b>	<b>\$ 423,933</b>	<b>\$ 521,669</b>	<b>\$ 6,913,718</b>

See Accompanying Notes

**MISSION OF MERCY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Inflows:		
Receipts from Contributions	\$ 2,242,768	\$ 2,481,608
Receipts from Special Events	280,880	215,608
Miscellaneous Receipts	636	6,326
Interest Income Received	1,096	1,008
	2,525,380	2,704,550
Outflows:		
Payments to Employees	1,135,316	1,112,064
Payments for Program Services	626,680	620,611
Payments for Management and General	228,492	208,844
Payments for Fundraising	292,933	341,773
Payments for Special Events	90,431	95,013
	2,373,852	2,378,305
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>151,528</b>	<b>326,245</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Inflows:		
Proceeds from Sale of Donated Stock	7,725	-
Proceeds from Sale of Assets	18,811	-
	26,536	-
Outflows:		
Purchase of Property and Equipment	114,246	210,860
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(87,710)</b>	<b>(210,860)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Inflows:		
Proceeds from Line of Credit	350,076	350,000
Outflows:		
Payments on Line of Credit	400,000	325,000
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<b>(49,924)</b>	<b>25,000</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>13,894</b>	<b>140,385</b>
Cash and Cash Equivalents - Beginning of Year	387,013	246,628
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 400,907</b>	<b>\$ 387,013</b>

See Accompanying Notes

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Accounting Policies**

*Nature of Activities*

Mission of Mercy, Inc. (the “Organization”) is a nonprofit organization which seeks to restore dignity to the sick, poor, and homeless. The primary service program is the provision of basic medical services at no charge via mobile healthcare units and a team of licensed healthcare workers. The Organization currently operates clinic sites located in Arizona, Maryland, Pennsylvania, and Texas.

The Organization also operates a community connections program in Maryland/Pennsylvania and Arizona that works to connect needy individuals with additional resources from other partner organizations, helping to promote general health literacy, disease management and prevention education, and helping pre-qualify individuals for other public health assistance programs.

*Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

The Organization invests in fairly liquid, high quality securities that are broker insured, Federal Deposit Insurance Corporation (FDIC) insured, and/or are U.S. Government securities. If the Organization receives donated stock, it is liquidated at the first opportunity and the proceeds are deposited into investment types that have previously been discussed.

*Inventory*

Inventory of medications are maintained by the Organization and are stated at cost, using the first in, first out method for purchased inventories or market value for donated and indigent inventories.

*Property and Equipment*

Donations of property and equipment are recorded as support 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. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

The Organization capitalizes all property and equipment purchases over \$1,000. Property and equipment is depreciated using the straight-line method over the estimated useful life of each asset. Depreciation expense for years ended June 30, 2016 and 2015 was \$101,233 and \$112,683, respectively.

Contributions

Support and revenue are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Revenues are recorded as services are provided.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases the applicable net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

All other donor-restricted support is 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 restriction.

Similarly, all income, gains, and losses from investments of restricted contributions are recognized as unrestricted unless specified as restricted by the donor.

Unconditional Promises to Give

Contributions are recognized at their fair value when the donor makes a promise to give to the Organization that is, in substance, unconditional. Gains and losses from changes in fair value are included in the contributions line of the statements of activities. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows, as management believes that this is the most accurate method of reporting the receivables and related revenues. The effect of the change in the market interest rate and historical trends of collection and the corresponding changes in fair value of unconditional promises to give resulted in a decrease in contributions of \$20,302 for the year ended June 30, 2016 and an increase in contributions of \$19,634 for the year ended June 30, 2015.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

*Donated Facilities*

The Organization uses property leased at below market value or free of charge to provide its services. Management estimates the fair market value of these donated facilities using rates published by real estate brokers in each applicable region and the square footage donated.

*Donated Lab and X-Ray Services*

The financial statements include donations of laboratory services and x-rays provided by hospitals and laboratories. The services are valued by the Organization at each specific service provider's current rates.

*Donated Services*

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Donated services are valued based on salary surveys performed by independent entities in each of the three regions the Organization operates times their volunteer hours. Volunteers also provided administrative and fundraising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria was not met.

*Donated Supplies and Equipment*

The Organization values donated medications, medical supplies, and other supplies at wholesale or discount supplier prices.

*Indigent Drug Program*

The Organization receives medications through indigent drug programs that are sponsored by various drug manufacturers. The Organization values the medications based on quoted wholesale or discount supplier prices.

*Functional Expenses*

Expenses are charged to program services, management and general, and fundraising on the basis of actual invoices received. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Mission of Mercy, Inc.

Certain administrative personnel expenses such as salaries, payroll expenses, professional fees, and travel and entertainment are allocated to each functional expense category based upon the responsibilities of the administrative personnel. Rent and utilities are allocated to each functional expense category based upon the use of the space during the applicable year which factors in the responsibilities of the personnel utilizing the space.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Net Assets

The Organization reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets

Unrestricted net assets are resources that are currently available for support of the Organization's operations and are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets

Temporarily restricted net assets are resources that may be utilized only in accordance with the restricted purposes established by the donor. The restriction may require passage of time or the occurrence of a specific event in order to trigger the release of the restriction. The Organization considers all contributions that are designated to a particular program to be transferred to unrestricted net assets when the terms of the restrictions have been met.

Permanently Restricted Net Assets

Net assets that are subject to donor-imposed restrictions and must be maintained permanently. The Organization had no permanently restricted net assets as of June 30, 2016 or 2015.

Tax-Exempt Status

The Organization is incorporated under the laws of the State of Arizona as a nonprofit organization. The Organization has elected under provisions of Internal Revenue Code Section 501(c)(3) and state income tax statutes to be excluded from taxes on exempt function income. Therefore, no provision is made for taxes on income.

The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ended June 30, 2016, 2015, 2014, and 2013 remain subject to examination by the Internal Revenue Service (IRS), generally for three years after they were filed. The Organization believes it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year statements.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 27, 2016, the date the financial statements were available to be issued.

**Note 2. Unconditional Promises to Give**

The Organization uses a fundraising model that has resulted in receiving unconditional promises to give over time to benefit the Organization. As of June 30, 2016, collections were expected pertaining to multi-year commitments in each fiscal year ending June 30:

	2017	\$ 45,316
	2018	142,348
	2019	92,858
	2020	51,440
	2021	13,640
	Thereafter	<u>4,035</u>
		349,637
Less: Discounts to Net Present Value (See Note 9)		8,330
Less: Allowance for Uncollectible Promises Receivable (See Note 9)		<u>41,607</u>
Net Unconditional Promises to Give		<u>\$ 299,700</u>

Net unconditional promises to give by location were as follows as of June 30:

	<u>2016</u>	<u>2015</u>
Maryland/Pennsylvania	\$ 85,176	\$ 150,494
Arizona	214,524	264,131
Texas	<u>-</u>	<u>24,992</u>
	<u>\$ 299,700</u>	<u>\$ 439,617</u>

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3. Inventory**

Inventory consists of the following as of June 30:

	<u>2016</u>	<u>2015</u>
Purchased Drugs and Other Medical Supplies	\$ 10,491	\$ 10,001
Donated Drugs and Other Medical Supplies (See Note 7)	1,165,379	761,037
Indigent Drugs (See Note 8)	<u>39,092</u>	<u>27,599</u>
	<u>\$ 1,214,962</u>	<u>\$ 798,637</u>

**Note 4. Line of Credit**

The Organization has a line of credit of \$500,000 that is secured by inventory and equipment owned by the Organization. As of June 30, 2016, \$374,924 of its line of credit was available. As of June 30, 2016, interest of 4.09% is due and payable monthly; the rate charged is equal to the bank's variable prime rate plus 0.59%.

**Note 5. Net Assets - Restrictions and Designations**

The board has designated unrestricted funds as program development funds in order to have cash readily available to facilitate growth opportunities as they arise. The program development funds as of June 30, 2016 and 2015 were \$4,583 and \$4,584, respectively.

Temporarily restricted net assets are available for the following purposes as of June 30:

	<u>2016</u>	<u>2015</u>
Arizona Clinics	\$ 237,150	\$ 346,632
Maryland/Pennsylvania Clinics	206,326	274,494
Texas Clinics	2,250	27,492
Purchase of new mobile van and East Valley Expansion in Arizona	390,000	100,000
Specific Illness Treatment Programs	5,000	25,000
Development of Arizona Office	25,000	-
Technology Upgrade	<u>-</u>	<u>98,560</u>
	<u>\$ 865,726</u>	<u>\$ 872,178</u>



**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 6. Operating Leases**

The Organization leases office space in Frederick, Maryland; Gettysburg, Pennsylvania; Phoenix, Arizona; and Corpus Christi, Texas. Office rent expense totaled \$97,357 and \$81,786 for the years ended June 30, 2016 and 2015, respectively. These leases expire at various periods from December 2016 to November 2019. Future monthly lease payments range from \$777 to \$3,428.

The Organization also leases four copiers. These leases expire at various periods from August 2016 to March 2020. Future monthly lease payments range from \$73 to \$217. Copier lease expense, presented in equipment leasing expense, totaled \$17,639 and \$9,504 for the years ended June 30, 2016 and 2015, respectively.

A summary of total future minimum operating lease payments by fiscal year is as follows:

2017	\$ 66,787
2018	51,544
2019	45,768
2020	<u>16,406</u>
Total	<u>\$ 180,505</u>

**Note 7. Donated Facilities, Services, and Supplies & Equipment**

During the years ended June 30, 2016 and 2015, the Organization used donated facilities valued at \$141,142 and \$112,319, respectively, for storage of mobile healthcare units and pharmacy items, clinic space, and office space.

The financial statements also include donations of laboratory services and x-rays provided to patients by hospitals and laboratories in the amount of \$2,036,368 and \$1,766,577 for the years ended June 30, 2016 and 2015, respectively.

A large number of volunteers donate significant amounts of their time in Mission of Mercy, Inc.'s activities that relate to the Organization's mission. For the years ended June 30, 2016 and 2015, the value of contributed medical services provided by health care professionals has been recorded in these financial statements as donated services income and expense of \$1,702,390 and \$1,666,489, respectively. The Organization values services provided by these professionals at rates comparable to what the Organization would expect to pay for the services. The services recognized in the financial statements represent 31,544 and 32,201 hours of time contributed for the years ended June 30, 2016 and 2015, respectively. In addition, for the years ended June 30, 2016 and 2015, accountants, attorneys, and other professionals donated services valued at \$38,619 and \$8,431, respectively, to the Organization using the specific charitable write-downs from professional services invoices.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Additional services for administrative, fundraising, and other purposes were not recorded in the financial statements because they did not meet the criteria for recognition under accounting rules. These services represent an estimated 17,955 and 16,265 hours for the years ended June 30, 2016 and 2015, respectively.

The Organization received donated medications, medical supplies, and other supplies valued at \$1,919,959 and \$1,337,531 for the years ended June 30, 2016 and 2015, respectively. These donations were valued by the Organization at wholesale or discount supplier prices and were recorded as revenues and expenses, except for the unused donated inventory of \$1,165,379 and \$761,037 as of June 30, 2016 and 2015, respectively, which was recorded as an asset instead of an expense (see Note 3 and 9).

**Note 8. Indigent Drug Program**

The Organization participates in indigent drug programs sponsored by various drug manufacturers. These programs provide medications to low income patients suffering from chronic illness. The Organization helps the patient complete and submit the application to the drug manufacturers. The medications are sent to the Organization which distributes them to the patient. Since Mission of Mercy, Inc. has set up the medical program to provide ongoing treatment and assessment of the patient, the doctors of Mission of Mercy, Inc. have discretion on what medicines are prescribed. The Organization meets this discretion requirement, records the medications as revenue and a corresponding expense in the financial statements, and values them based on quoted wholesale or discount supplier prices. For the years ended June 30, 2016 and 2015, the Organization recognized revenue from medications received from these programs of \$798,995 and \$333,851, respectively. This amount was also recognized as expense except for the change in the medications in inventory at year end. Indigent drug inventory as of June 30, 2016 and 2015 was valued at \$39,092 and \$27,599, respectively (see Note 3 and 9).

**Note 9. Fair Value Measurements**

The Organization uses a framework for measuring fair value that prioritizes the inputs to valuation techniques used to measure fair value using a fair value hierarchy. The following are the major categories of assets measured at fair value on a recurring basis during the years ended June 30, 2016 and 2015: those using quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

*Donated and Indigent Drug Inventories* (see Notes 7 and 8) - Valued at current unadjusted quoted wholesale or discount supplier prices, a Level 1 measurement.

*Unconditional Promises to Give* (see Note 2) - The income approach utilizes valuation techniques (the present value method, a Level 2 measurement) to convert future amounts to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. The Organization discounts future cash flows by the risk-free interest rate of 1.48% and 2.35% for the years ended June 30, 2016 and 2015, respectively, to determine the net present value of the promises to give.

The carrying amount of these unconditional promises to give is reduced by an additional valuation allowance that reflects the Organization's best estimate of collectability, determined principally on the basis of historical experience while also recognizing the good faith and reliability of its donors. For the years ended June 30, 2016 and 2015, unconditional promises to give to the Organization were discounted by an additional 11.90% and 5.61%, respectively.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

The Organization has no investments categorized as Level 3 for the years ended June 30, 2016 and 2015. The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30:

2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Donated Drug Inventory	\$ 1,165,379	\$ -	\$ 1,165,379
Indigent Drug Inventory	39,092	-	39,092
Unconditional Promises to Give	-	<u>299,700</u>	<u>299,700</u>
Total Assets at Fair Value	<u>\$ 1,204,471</u>	<u>\$ 299,700</u>	<u>\$ 1,504,171</u>
2015			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Donated Drug Inventory	\$ 761,037	\$ -	\$ 761,037
Indigent Drug Inventory	27,599	-	27,599
Unconditional Promises to Give	-	<u>439,617</u>	<u>439,617</u>
Total Assets at Fair Value	<u>\$ 788,636</u>	<u>\$ 439,617</u>	<u>\$ 1,228,253</u>

**Note 10. Concentration of Contributions**

The Organization relies entirely on public and private donations as well as significant donated services and materials to operate. Approximately 19% and 15% of the Organization's funding was provided by AmeriCares Foundation, Inc. for the years ended June 30, 2016 and 2015, respectively, all of which was in the form of in-kind donated prescription medications and medical supplies.

For the year ended June 30, 2016, approximately 59% of the Organization's support from the indigent drug program were related to one particular high-valued drug. This drug was not available through the indigent drug program for the year ended June 30, 2015.

**Note 11. Retirement Plan**

The Organization operates a 401(k) plan that is funded by participant salary reductions and, if approved by the Board of Directors, discretionary contributions by the employer. The plan covers substantially all employees, although eligibility criteria are maintained. The Organization did not make any contributions for the years ended June 30, 2016 and 2015. This plan is tax exempt and has been approved by the Internal Revenue Service.

**MISSION OF MERCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 12. Reconciliations of Change in Net Assets to Net Cash Provided by Operating Activities**

	<u>2016</u>	<u>2015</u>
Change in Net Assets	\$ 305,937	\$ 842,730
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	101,233	112,683
Donated Securities	(7,840)	-
Loss on Sale of Donated Investment	115	-
Gain on Asset Disposal	(3,811)	-
Loss on Impairment	-	50,000
(Increase) Decrease in:		
Unconditional Promises to Give	139,917	28,287
Inventory	(416,325)	(726,362)
Prepaid Expenses	1,311	(34)
Increase (Decrease) in:		
Accounts Payable	28,468	7,682
Accrued Payroll Taxes	262	6,900
Accrued Salaries	<u>2,261</u>	<u>4,359</u>
Total Adjustments	<u>(154,409)</u>	<u>(516,485)</u>
Net Cash Provided by Operating Activities	<u>\$ 151,528</u>	<u>\$ 326,245</u>

Non-cash transactions include the following during the years ended June 30:

	<u>2016</u>	<u>2015</u>
Donated Facilities	\$ 141,142	\$ 112,319
Donated Lab and X-Ray Services	2,036,368	1,766,577
Donated Securities	7,840	-
Donated Services	1,741,009	1,674,920
Donated Supplies and Equipment	1,919,959	1,337,531
Indigent Drug Program	<u>798,995</u>	<u>333,851</u>
	<u>\$ 6,645,313</u>	<u>\$ 5,225,198</u>

**Note 13. Subsequent Event**

In August 2016, the Organization has established a new nonprofit supporting organization called "Mission of Mercy Arizona Health Partnership Fund" in the State of Arizona to assist with soliciting charitable donations in the state. As of the date of the financials, the Organization has not received a letter from the IRS determining its charitable status.

**SUPPLEMENTARY INFORMATION**

MISSION OF MERCY, INC.

Schedule "1"

SCHEDULES OF FUNCTIONAL EXPENSES BY REGION  
FOR THE YEARS ENDED JUNE 30, 2016 AND JUNE 30, 2015

MARYLAND/PENNSYLVANIA

	2016						2015					
	Program Services			Supporting Services			Program Services			Supporting Services		
	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses
Salaries	\$ 245,472	\$ 17,548	\$ 263,020	\$ 61,607	\$ 91,583	\$ 416,210	\$ 237,280	\$ 17,717	\$ 254,997	\$ 69,488	\$ 95,978	\$ 420,463
Employee Benefits	63,135	3,543	66,678	9,291	14,210	90,179	72,515	4,463	76,978	11,796	18,832	107,606
Payroll Taxes	20,415	1,342	21,757	5,069	7,574	34,400	20,453	1,448	21,901	5,973	8,240	36,114
Advertising	-	-	-	-	120	120	554	-	554	-	2,025	2,579
Bank Charges	2,281	759	3,040	6,363	2,278	11,681	2,655	698	3,353	5,748	2,093	11,194
Board and Committee Expense	438	12	450	198	74	722	948	25	973	1,397	124	2,494
Books and Subscriptions	2,466	369	2,835	208	3,605	6,648	2,307	333	2,640	113	3,720	6,473
Clinic Supplies	7,350	-	7,350	-	-	7,350	8,217	-	8,217	-	-	8,217
Consultants	-	-	-	-	-	-	-	-	-	3,682	-	3,682
Dental Supplies	3,753	-	3,753	-	-	3,753	2,953	-	2,953	-	-	2,953
Depreciation	28,603	40	28,643	2,790	120	31,553	13,707	39	13,746	1,947	118	15,811
Donated Facilities	46,869	197	47,066	13,044	592	60,702	36,264	170	36,434	16,184	510	53,128
Donated Lab and X-Ray Services	745,070	-	745,070	-	-	745,070	668,915	-	668,915	-	-	668,915
Donated Services	604,930	1,299	606,229	3,898	3,898	614,025	566,693	272	566,965	816	1,116	568,897
Donated Supplies and Equipment	1,064,264	-	1,064,264	-	-	1,064,264	560,127	-	560,127	-	-	560,127
Donor Development	-	-	-	-	1,430	1,430	-	-	-	-	16,588	16,588
Dues and Memberships	678	26	704	1,293	358	2,355	187	62	249	1,847	727	2,823
Equipment Leasing	3,537	622	4,159	3,724	2,513	10,396	2,103	394	2,497	1,202	1,590	5,289
Indigent Drugs	79,087	-	79,087	-	-	79,087	111,933	-	111,933	-	-	111,933
Insurance	15,202	28	15,230	(199)	83	15,114	12,740	48	12,788	849	144	13,781
Interest	-	-	-	2,790	-	2,790	-	-	-	-	-	-
License and Registration	2,904	23	2,927	2,145	185	5,257	5,121	-	5,121	2,453	606	8,180
Medical Supplies	6,537	-	6,537	-	-	6,537	6,739	-	6,739	-	-	6,739
Medications	17,164	-	17,164	-	-	17,164	22,908	-	22,908	-	-	22,908
Miscellaneous	799	53	852	1,902	192	2,946	6,064	8	6,072	1,201	1,343	8,616
Network Hosting	4,912	128	5,040	5,157	1,419	11,616	685	14	699	476	476	1,651
Office Supplies	-	217	217	6,068	1,063	7,348	-	106	106	7,968	686	8,760
Patient and Client Programs	-	1,500	1,500	-	-	1,500	-	-	-	-	-	-
Postage	1,013	17	1,030	3,005	7,050	11,085	1,511	40	1,551	7,602	4,833	13,986
Printing	1,484	1	1,485	3,946	17,809	23,240	2,777	3,946	2,777	5,408	9,414	17,599
Professional Fees	16,224	2,585	18,809	16,311	38,658	73,778	19,667	4,295	23,962	15,442	57,893	97,297
Rent	10,732	3,304	14,036	8,358	12,182	34,576	10,651	3,013	13,664	8,504	11,783	33,951
Repairs and Maintenance	6,623	-	6,623	259	-	6,882	6,266	-	6,266	113	-	6,379
Telephone	3,162	580	3,742	2,392	2,554	8,688	2,793	573	3,366	2,609	2,581	8,556
Travel and Entertainment	7,047	1,175	8,222	5,557	8,338	22,117	7,806	757	8,563	6,817	8,076	23,456
Tuition and Education	690	-	690	20	-	710	1,890	-	1,890	1,645	-	3,535
Utilities	2,507	83	2,590	319	390	3,299	2,618	106	2,724	410	501	3,635
Vehicle Expense	3,574	-	3,574	-	-	3,574	4,061	-	4,061	-	-	4,061
<b>TOTAL EXPENSES</b>	<b>\$ 3,018,922</b>	<b>\$ 35,451</b>	<b>\$ 3,054,373</b>	<b>\$ 165,515</b>	<b>\$ 218,278</b>	<b>\$ 3,438,166</b>	<b>\$ 2,422,108</b>	<b>\$ 34,581</b>	<b>\$ 2,456,689</b>	<b>\$ 181,690</b>	<b>\$ 249,997</b>	<b>\$ 2,888,376</b>

See Accompanying Notes

MISSION OF MERCY, INC.

Schedule "1"

SCHEDULES OF FUNCTIONAL EXPENSES BY REGION  
FOR THE YEARS ENDED JUNE 30, 2016 AND JUNE 30, 2015

ARIZONA

	2016						2015					
	Program Services			Supporting Services			Program Services			Supporting Services		
	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses
Salaries	\$ 347,191	\$ 38,644	\$ 385,835	\$ 71,800	\$ 47,335	\$ 504,970	\$ 353,695	\$ 37,738	\$ 391,433	\$ 70,533	\$ 46,115	\$ 508,081
Employee Benefits	20,014	2,718	22,732	9,534	6,804	39,070	17,835	2,889	20,724	9,837	6,798	37,359
Payroll Taxes	26,432	2,948	29,380	5,515	3,645	38,540	29,176	3,085	32,261	5,855	3,819	41,935
Advertising	-	-	-	50	-	50	-	-	-	-	-	-
Bank Charges	1,843	1,474	3,317	6,194	1,843	11,354	1,693	1,354	3,047	6,047	1,693	10,787
Board and Committee Expense	758	24	782	2,331	29	3,142	125	78	203	322	158	683
Books and Subscriptions	2,187	401	2,588	132	1,894	4,614	1,408	342	1,750	29	2,019	3,798
Clinic Supplies	4,618	-	4,618	-	-	4,618	4,498	-	4,498	-	-	4,498
Consultants	19,127	23,875	43,002	2,500	4,000	49,502	17,418	29,583	47,001	1,584	44,727	93,312
Dental Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	35,862	78	35,940	785	97	36,822	55,755	76	55,831	1,026	115	56,972
Donated Facilities	47,913	383	48,296	574	479	49,349	34,496	330	34,826	495	413	35,734
Donated Lab and X-Ray Services	295,906	-	295,906	-	-	295,906	240,204	-	240,204	-	-	240,204
Donated Services	903,152	2,523	905,675	3,783	3,153	912,611	918,227	528	918,755	923	660	920,338
Donated Supplies and Equipment	449,039	-	449,039	-	-	449,039	40,023	-	40,023	-	-	40,023
Donor Development	-	-	-	-	15,569	15,569	-	-	-	-	26,339	26,339
Dues and Memberships	663	50	713	790	103	1,606	396	121	517	855	151	1,523
Equipment Leasing	1,932	1,315	3,247	1,685	1,644	6,576	1,312	891	2,203	-	1,113	3,316
Indigent Drugs	18,391	-	18,391	-	-	18,391	20,873	-	20,873	-	-	20,873
Insurance	28,539	54	28,593	2,153	67	30,813	26,952	961	27,913	2,129	1,202	31,244
Interest	-	-	-	-	-	-	-	-	-	-	-	-
License and Registration	3,239	230	3,469	120	242	3,831	4,647	126	4,773	43	1	4,817
Medical Supplies	15,710	-	15,710	-	-	15,710	11,722	-	11,722	-	-	11,722
Medications	58,122	-	58,122	-	-	58,122	56,811	-	56,811	-	-	56,811
Miscellaneous	18,860	96	18,956	614	664	20,234	8,296	15	8,311	376	112	8,799
Network Hosting	8,951	1,112	10,063	5,577	1,778	17,418	35	28	63	105	35	203
Office Supplies	-	1,112	1,112	2,279	142	3,533	-	1,519	1,519	3,397	298	5,214
Patient and Client Programs	-	11,210	11,210	-	-	11,210	-	4,064	4,064	-	-	4,064
Postage	42	33	75	653	347	1,075	798	77	875	878	747	2,500
Printing	1,138	711	1,849	40	883	2,772	1,402	1,499	2,901	1,387	686	4,974
Professional Fees	34,517	9,620	44,137	23,532	57,514	125,183	11,833	7,760	19,593	16,008	50,598	86,199
Rent	18,116	9,639	27,755	12,143	12,049	51,947	14,600	7,370	21,970	9,335	9,212	40,517
Repairs and Maintenance	2,930	-	2,930	360	-	3,290	5,840	-	5,840	60	-	5,900
Telephone	3,566	1,734	5,300	3,916	2,168	11,384	4,190	1,840	6,030	5,236	2,299	13,565
Travel and Entertainment	4,945	2,840	7,785	3,913	4,574	16,272	4,581	2,199	6,780	3,242	2,934	12,956
Tuition and Education	1,589	-	1,589	577	950	3,116	549	2,125	2,674	-	-	2,674
Utilities	311	194	505	2,719	243	3,467	325	118	443	852	148	1,443
Vehicle Expense	3,393	-	3,393	-	-	3,393	4,300	-	4,300	-	-	4,300
<b>TOTAL EXPENSES</b>	<b>\$ 2,378,996</b>	<b>\$ 113,018</b>	<b>\$ 2,492,014</b>	<b>\$ 164,269</b>	<b>\$ 168,216</b>	<b>\$ 2,824,499</b>	<b>\$ 1,894,015</b>	<b>\$ 106,716</b>	<b>\$ 2,000,731</b>	<b>\$ 140,554</b>	<b>\$ 202,392</b>	<b>\$ 2,343,677</b>

See Accompanying Notes



MISSION OF MERCY, INC.

Schedule "1"

SCHEDULES OF FUNCTIONAL EXPENSES BY REGION  
FOR THE YEARS ENDED JUNE 30, 2016 AND JUNE 30, 2015

TEXAS

	2016						2015					
	Program Services			Supporting Services			Program Services			Supporting Services		
	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses	Medical Program	Community Connections Program	Total Program	Management and General	Fundraising	Total Functional Expenses
Salaries	\$ 128,159	\$ -	\$ 128,159	\$ 46,989	\$ 38,988	\$ 214,136	\$ 109,316	\$ -	\$ 109,316	\$ 40,873	\$ 33,331	\$ 183,520
Employee Benefits	12,786	-	12,786	1,863	1,854	16,503	12,570	-	12,570	1,598	1,682	15,850
Payroll Taxes	9,769	-	9,769	3,627	3,024	16,420	8,866	-	8,866	3,312	2,699	14,877
Advertising	-	-	-	-	-	-	-	-	-	769	-	769
Bank Charges	2,506	-	2,506	3,552	2,434	8,492	2,302	-	2,302	3,671	2,232	8,205
Board and Committee Expense	40	-	40	91	41	172	84	-	84	102	83	269
Books and Subscriptions	2,478	-	2,478	110	1,605	4,193	2,151	-	2,151	32	1,728	3,911
Clinic Supplies	3,908	-	3,908	-	-	3,908	2,724	-	2,724	-	-	2,724
Consultants	-	-	-	4,980	-	4,980	7,905	-	7,905	15,380	-	23,285
Dental Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	32,472	-	32,472	258	128	32,858	39,611	-	39,611	163	126	39,900
Donated Facilities	29,830	-	29,830	632	629	31,091	22,369	-	22,369	545	543	23,457
Donated Lab and X-Ray Services	995,392	-	995,392	-	-	995,392	857,458	-	857,458	-	-	857,458
Donated Services	205,647	-	205,647	4,566	4,160	214,373	183,943	-	183,943	871	871	185,685
Donated Supplies and Equipment	2,314	-	2,314	-	-	2,314	7,120	-	7,120	-	-	7,120
Donor Development	-	-	-	-	-	-	-	-	-	-	-	-
Dues and Memberships	686	-	686	133	634	1,453	205	-	205	199	749	1,153
Equipment Leasing	278	-	278	270	271	819	612	-	612	158	158	928
Indigent Drugs	690,024	-	690,024	-	-	690,024	203,072	-	203,072	-	-	203,072
Insurance	7,069	-	7,069	1,082	89	8,240	6,893	-	6,893	780	156	7,829
Interest	-	-	-	6,991	-	6,991	-	-	-	8,233	-	8,233
License and Registration	5,183	-	5,183	130	73	5,386	546	-	546	1	103	650
Medical Supplies	2,240	-	2,240	-	-	2,240	2,178	-	2,178	-	-	2,178
Medications	2,383	-	2,383	-	-	2,383	3,737	-	3,737	-	-	3,737
Miscellaneous	296	-	296	145	60	501	25	-	25	441	24	490
Network Hosting	3,773	-	3,773	2,725	410	6,908	326	-	326	177	47	550
Office Supplies	-	-	-	3,723	368	4,091	-	-	-	4,532	368	4,900
Patient and Client Programs	-	-	-	-	-	-	-	-	-	-	-	-
Postage	211	-	211	1,932	420	2,563	314	-	314	2,628	418	3,360
Printing	2,207	-	2,207	1,475	2,658	6,340	2,581	-	2,581	2,069	2,107	6,757
Professional Fees	8,137	-	8,137	7,754	31,809	47,700	6,007	-	6,007	4,879	16,115	27,001
Rent	4,668	-	4,668	3,754	2,412	10,834	3,023	-	3,023	2,513	1,782	7,318
Repairs and Maintenance	3,907	-	3,907	-	-	3,907	15,372	-	15,372	-	-	15,372
Telephone	3,428	-	3,428	2,749	1,805	7,982	3,016	-	3,016	2,437	1,588	7,041
Travel and Entertainment	4,589	-	4,589	9,825	3,690	18,104	4,679	-	4,679	5,276	2,320	12,275
Tuition and Education	-	-	-	3,874	-	3,874	-	-	-	-	-	-
Utilities	40	-	40	38	39	117	51	-	51	50	50	151
Vehicle Expense	150	-	150	-	-	150	1,640	-	1,640	-	-	1,640
<b>TOTAL EXPENSES</b>	<b>\$ 2,164,570</b>	<b>\$ -</b>	<b>\$ 2,164,570</b>	<b>\$ 113,268</b>	<b>\$ 97,601</b>	<b>\$ 2,375,439</b>	<b>\$ 1,510,696</b>	<b>\$ -</b>	<b>\$ 1,510,696</b>	<b>\$ 101,689</b>	<b>\$ 69,280</b>	<b>\$ 1,681,665</b>
<b>GRAND TOTAL FOR ALL REGIONS</b>	<b>\$ 7,562,488</b>	<b>\$ 148,469</b>	<b>\$ 7,710,957</b>	<b>\$ 443,052</b>	<b>\$ 484,095</b>	<b>\$ 8,638,104</b>	<b>\$ 5,826,819</b>	<b>\$ 141,297</b>	<b>\$ 5,968,116</b>	<b>\$ 423,933</b>	<b>\$ 521,669</b>	<b>\$ 6,913,718</b>

See Accompanying Notes