

MEDICAL CARE DEVELOPMENT, INC.

Statements of Financial Position

December 31, 2014 and 2013

ASSETS

	<u>2014</u>	<u>2013</u>
Current assets		
Cash and cash equivalents	\$ 5,631,546	\$ 6,669,689
Resident funds	24,984	59,613
Accounts receivable, net of allowance for doubtful accounts of \$61,951 and \$40,000 in 2014 and 2013	1,621,154	1,797,768
Grants receivable	3,743,022	5,831,369
Prepays and other current assets	1,062,996	666,209
Resident security deposits	<u>5,230</u>	<u>5,710</u>
Total current assets	<u>12,088,932</u>	<u>15,030,358</u>
Other assets		
Other escrow accounts	242,323	210,556
Deferred financing costs, net	65,319	71,427
Goodwill, net	120,642	120,642
Investments, board designated	<u>916,568</u>	<u>908,814</u>
Total other assets	<u>1,344,852</u>	<u>1,311,439</u>
Property and equipment		
Land	922,758	917,776
Building and improvements	16,544,139	16,399,604
Furniture and equipment	2,389,642	2,291,294
Vehicles	<u>1,490,932</u>	<u>1,525,663</u>
	21,347,471	21,134,337
Less accumulated depreciation	<u>(13,988,288)</u>	<u>(13,264,409)</u>
Net property and equipment	7,359,183	7,869,928
Note receivable	83,000	83,000
Other assets	<u>-</u>	<u>180,157</u>
Total assets	<u>\$ 20,875,967</u>	<u>\$ 24,474,882</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND NET ASSETS

	<u>2014</u>	<u>2013</u>
Current liabilities		
Line of credit	\$ -	\$ 300,000
Current portion of long-term debt	656,000	632,708
Accounts payable and accrued expenses	1,659,751	2,475,450
Accrued wages and amounts withheld	2,547,913	3,006,040
Resident security deposits	5,230	5,710
Deferred grants and contract revenue	2,127,449	2,976,533
Resident funds	24,984	59,613
Estimated third-party settlements	<u>2,137,714</u>	<u>2,675,930</u>
Total current liabilities	9,159,041	12,131,984
Long-term debt, excluding current portion	2,763,682	3,348,145
Long-term portion of estimated third-party settlements	<u>771,927</u>	<u>1,629,426</u>
Total liabilities	<u>12,694,650</u>	<u>17,109,555</u>
Net assets		
Unrestricted	8,018,238	7,145,075
Temporarily restricted	<u>163,079</u>	<u>220,252</u>
Total net assets	<u>8,181,317</u>	<u>7,365,327</u>
Total liabilities and net assets	<u>\$ 20,875,967</u>	<u>\$ 24,474,882</u>

MEDICAL CARE DEVELOPMENT, INC.

Statements of Activities and Net Assets

Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Changes in unrestricted net assets		
Revenue, gains, and other support		
Corporate revenue	\$ 245,101	\$ 513,714
International revenue	20,780,029	19,590,275
Public Health revenue	4,111,726	3,808,243
Communities revenue	20,312,359	19,404,622
Investment income	18,613	31,158
Other project revenue	471,791	556,206
Net assets released from restrictions	<u>177,674</u>	<u>207,552</u>
Total revenue, gains, and other support	<u>46,117,293</u>	<u>44,111,770</u>
Expenses		
International programs	17,287,193	15,706,875
Public health programs	3,894,540	3,758,864
Communities programs	18,668,094	17,474,803
Interest expense	124,471	146,538
Depreciation and amortization	839,005	843,189
General and administrative	<u>4,437,162</u>	<u>5,279,561</u>
Total expenses	<u>45,250,465</u>	<u>43,209,830</u>
Operating gain before gain on sale of property and equipment	866,828	901,940
Gain on sale of property and equipment	<u>6,200</u>	<u>45,984</u>
Operating gain	873,028	947,924
Nonoperating revenues (losses)		
Unrealized gains (losses) on investments	<u>135</u>	<u>(18,788)</u>
Change in unrestricted net assets	<u>873,163</u>	<u>929,136</u>
Changes in temporarily restricted net assets		
Contributions	120,501	124,116
Net assets released from restrictions	<u>(177,674)</u>	<u>(207,552)</u>
Change in temporarily restricted net assets	<u>(57,173)</u>	<u>(83,436)</u>
Change in net assets	815,990	845,700
Net assets, beginning of year	<u>7,365,327</u>	<u>6,519,627</u>
Net assets, end of year	<u>\$ 8,181,317</u>	<u>\$ 7,365,327</u>

The accompanying notes are an integral part of these financial statements.