

**VIRGINIA ORAL
HEALTH COALITION, INC.**

Financial Statements
Year Ended December 31, 2011

VIRGINIA ORAL HEALTH COALITION, INC.

Mission Statement

The Virginia Oral Health Coalition is a group of committed individuals and organizations working to bring excellent oral health to all Virginians.

To meet this mission, the Virginia Oral Health Coalition drives the Virginia Oral Health Plan. The plan's objectives are to utilize advocacy, public awareness and innovative new programs to:

- Change perceptions of oral health.
- Remove known barriers between people and oral health services.
- Build an effective oral health infrastructure by ensuring dental providers and future dental providers are prepared to meet the needs of the underserved in Virginia.

Virginia Oral Health Coalition, Inc.

December 31, 2011

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Independent Accountant's Review Report

To the Board of Directors
Virginia Oral Health Coalition, Inc.
Richmond, Virginia

We have reviewed the accompanying balance sheet of Virginia Oral Health Coalition, Inc. as of December 31, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Morey, Jones & Pfeiffer, P.C.

Richmond, Virginia
November 14, 2012

VIRGINIA ORAL HEALTH COALITION, INC.

Statement of Financial Position December 31, 2011

Assets

Assets

Cash	\$ 53,552
Contributions receivable	216,370
Property and equipment, net	<u>1,518</u>

Total Assets	<u><u>271,440</u></u>
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Liabilities and Net Assets

Liabilities

Accounts payable	3,686
Payroll taxes	<u>186</u>

Total Liabilities	<u><u>3,872</u></u>
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Net Assets

Unrestricted	<u>267,568</u>
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Total Net Assets	<u><u>267,568</u></u>
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Total Liabilities and Net Assets	<u><u>\$ 271,440</u></u>
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VIRGINIA ORAL HEALTH COALITION, INC.

Statement of Activities Year Ended December 31, 2011

	<u>Unrestricted</u>
Support and Revenue	
Contributions	
DentaQuest Foundation	\$ 211,370
VCU School of Dentistry	5,000
Virginia Dental Association	5,000
Delta Dental	5,000
DentaQuest, LLC	5,000
Small Smiles Dental Centers	5,000
Other	5,306
Membership Dues	16,475
Program service fees	<u>6,669</u>
Total Support and Revenue	<u>264,820</u>
 Expenses	
Program services	85,408
Supporting services:	
Management and general	<u>64,514</u>
Total Expenses	<u>149,922</u>
Increase in Net Assets	<u>114,898</u>
 Net Assets	
Beginning	<u>152,670</u>
Ending	<u>267,568</u>

VIRGINIA ORAL HEALTH COALITION, INC.

Statement of Functional Expenses Year Ended December 31, 2011

	Program Services		Supporting Services	Total Expenses
	Seminars	Public Awareness and Advocacy	Management and General	
Salaries	\$ 14,870	\$ 32,930	\$ 18,691	\$ 66,491
Payroll taxes	1,194	2,714	1,521	5,429
Total Salaries and Related Expenses	16,064	35,644	20,212	71,920
Consulting	-	2,520	12,665	15,185
Lobbying	-	2,290	-	2,290
Occupancy	-	-	10,597	10,597
Office expense	3,540	3,540	3,540	10,620
Promotion	397	397	341	1,135
Professional fees and contract services	-	1,380	11,256	12,636
Supplies	17,984	-	-	17,984
Tax & license	-	-	1,100	1,100
Travel	1,652	-	4,596	6,248
Total Expenses Before Depreciation	39,637	45,771	64,307	149,715
Depreciation of buildings and equipment	-	-	207	207
Total Functional Expenses	<u>\$ 39,637</u>	<u>\$ 45,771</u>	<u>\$ 64,514</u>	<u>\$ 149,922</u>

See Notes to Financial Statements and Independent Accountant's Review Report.

VIRGINIA ORAL HEALTH COALITION, INC.

Statement of Cash Flows Year Ended December 31, 2011

Cash Flows From Operating Activities

Change in net assets	\$ 114,898
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	207
(Increase) Decrease in:	
Accounts receivable	(216,370)
Increase in:	
Accounts payable and accrued payroll taxes	<u>3,872</u>

Net Cash Used in Operating Activities (97,393)

Cash Flows From Investing Activities

Purchase of property and equipment	<u>(1,725)</u>
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Net Cash Used in Investing Activities (1,725)

Net Decrease in Cash (99,118)

Cash

Beginning of year	<u>152,670</u>
End of year	<u>\$ 53,552</u>

VIRGINIA ORAL HEALTH COALITION, INC.

Notes to Financial Statements Year Ended December 31, 2011 (See Independent Accountant's Review Report)

Note 1 - Nature of Activities

Virginia Oral Health Coalition, Inc. (the Organization) is a nonprofit corporation organized under the laws of the Commonwealth of Virginia for the purpose of bringing excellent oral health to all Virginians.

Note 2 - Summary of Significant Accounting Policies

The summary of significant accounting policies of Virginia Oral Health Coalition, Inc. is presented to assist in understanding the organization's financial statements. These financial statements and notes are representations of the Organization's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Organization reports amounts for total assets, liabilities and net assets in a statement of financial position, changes in net assets in a statement of activities and changes in its cash and cash equivalents in a statement of cash flows. The organization classifies net assets in three classes: permanently restricted, temporarily restricted and unrestricted based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets are not subject to donor-imposed restrictions and are presently available for use by the Organization at the discretion of the Board of Directors. If the Board specifies a purpose where none has been stated by a donor, such assets are classified as Board-designated assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

VIRGINIA ORAL HEALTH COALITION, INC.

Notes to Financial Statements (Continued) Year Ended December 31, 2011 (See Independent Accountant's Review Report)

Note 2 - Summary of Significant Accounting Policies (Concluded)

Property and Equipment

Property and equipment owned as of December 31, 2011 are stated at cost. The Organization follows the practice of capitalizing all significant acquisitions of property and equipment. Depreciation is computed on the straight-line method and is provided over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	15 - 40
Furniture and equipment	5 - 7
Vehicles	5

Support and Revenue

Contributions received, which include unconditional promises to give, such as pledges, are recognized as revenues in the period received at their fair values. All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor/grantor.

The Organization receives approximately 80% of its total revenue from Dentaquest Foundation.

Income Tax Status

The Internal Revenue Service has determined that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Functional Allocation of Expenses

The costs of providing the various programs and related supporting services have been presented in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among programs and supporting services benefited.

Date of Management's Review

Management has evaluated subsequent events through November 14, 2012, the date on which the financial statements were available to be issued.

VIRGINIA ORAL HEALTH COALITION, INC.

Notes to Financial Statements (Concluded) Year Ended December 31, 2011 (See Independent Accountant's Review Report)

Note 3 – Property and Equipment

Property and equipment consists of the following:

Computers	\$ 1,245
Software	<u>480</u>
	1,725
Less accumulated depreciation	<u>207</u>
Property and equipment, net	\$ <u>1,518</u>

Note 4 – Related Party Transactions

The Organization rents office space from the Virginia Dental Association for \$9,000 per year. The executive director of the Virginia Dental Association (Terry Dickinson) sits on the Virginia Oral Health Coalition's board. The leases are for a one year period and are classified as an operating lease.

Note 5 – Concentration of Credit Risk

The Organization maintains its cash balances in one financial institution located in Richmond, VA. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2011 the organization had no uninsured balances.

Note 6 – Contributions Receivable

As of December 31, 2012 the Organization had contributions receivable consisting of:

Dentaquest Foundation	\$ 211,370
VCU School of Dentistry	<u>5,000</u>
	<u>\$ 216,370</u>