



**YEARS ENDED  
JUNE 30, 2024 AND 2023**



**Brown Plus**  
ACCOUNTANTS + ADVISORS

# ***ACCESS CARROLL, INC.***

YEARS ENDED JUNE 30, 2024 AND 2023

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## Independent Auditor's Report

Board of Directors  
Access Carroll, Inc.  
Westminster, Maryland

### **Opinion**

We have audited the financial statements of Access Carroll, Inc., which comprise the statements of assets, liabilities and net assets – modified cash basis as of June 30, 2024 and 2023, and the related statements of revenues, expenses and change in net assets – modified cash basis, functional expenses – modified cash basis and cash flows – modified cash basis for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities and net assets of Access Carroll, Inc. as of June 30, 2024 and 2023, and its revenue and expenses and cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Access Carroll, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

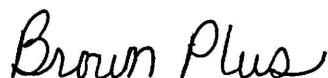
## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Access Carroll, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Access Carroll, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.



Westminster, Maryland  
November 3, 2025

**ACCESS CARROLL, INC.**STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS – MODIFIED CASH BASIS  
JUNE 30, 2024 AND 2023

ASSETS		2024	2023
		<u>2024</u>	<u>2023</u>
<b>Current assets, cash and cash equivalents</b>		<b><u>\$ 277,075</u></b>	<b><u>\$ 35,655</u></b>
<b>Property and equipment:</b>			
Leasehold improvements		1,629,781	1,629,781
Furniture and fixtures		16,906	16,906
Medical equipment		220,384	220,384
Office equipment		171,447	171,447
Computers and technology		54,029	105,806
Construction in progress		<u>4,125</u>	<u>4,125</u>
		2,096,672	2,148,449
Less accumulated depreciation		<u>831,355</u>	<u>814,820</u>
<b>Total property and equipment</b>		<b><u>1,265,317</u></b>	<b><u>1,333,629</u></b>
<b>Total assets</b>		<b><u>\$ 1,542,392</u></b>	<b><u>\$ 1,369,284</u></b>
LIABILITIES AND NET ASSETS			
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Payroll tax liabilities		\$ 460	\$ 16,167
Current portion of obligation under finance lease		<u>2,145</u>	<u>8,580</u>
<b>Total current liabilities</b>		<b>2,605</b>	<b>24,747</b>
Long-term liabilities, obligation under finance lease		<u>-</u>	<u>1,430</u>
<b>Total liabilities</b>		<b>2,605</b>	<b>26,177</b>
<b>Total net assets without donor restrictions</b>		<b><u>1,539,787</u></b>	<b><u>1,343,107</u></b>
<b>Total liabilities and net assets</b>		<b><u>\$ 1,542,392</u></b>	<b><u>\$ 1,369,284</u></b>

See notes to financial statements.

**ACCESS CARROLL, INC.**

STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS – MODIFIED CASH  
BASIS  
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
	<u>Without donor restrictions</u>	<u>Without donor restrictions</u>
<b>Revenue and support:</b>		
Contributions	\$ 270,993	\$ 214,480
Grants	1,025,546	977,070
Patient and other income	1,039,357	879,447
Employee Retention Credit	368,382	-
Interest income	38,264	20
Special events	<u>48,317</u>	<u>43,825</u>
<b>Total revenue and support</b>	<b><u>2,790,859</u></b>	<b><u>2,114,842</u></b>
<b>Expenses and losses:</b>		
Expenses:		
Program services	2,482,680	2,012,833
Management and general	83,188	64,807
Fundraising	<u>23,936</u>	<u>22,302</u>
Total expenses	2,589,804	2,099,942
Losses, loss on disposal of equipment	<u>4,375</u>	<u>214</u>
<b>Total expenses and losses</b>	<b><u>2,594,179</u></b>	<b><u>2,100,156</u></b>
<b>Change in net assets</b>	<b>196,680</b>	<b>14,686</b>
<b>Net assets:</b>		
Beginning of year	<u>1,343,107</u>	<u>1,328,421</u>
<b>End of year</b>	<b><u>\$ 1,539,787</u></b>	<b><u>\$ 1,343,107</u></b>

See notes to financial statements.

**ACCESS CARROLL, INC.**STATEMENT OF FUNCTIONAL EXPENSES – MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2024

		Supporting services		
	Program services	Management and general	Fundraising	Totals
<b>Functional expenses:</b>				
Advertising	\$ 51	\$ -	\$ 1,081	\$ 1,132
Cleaning, repairs and maintenance	10,677	1,186	-	11,863
Contractual, Health Department staff	365,644	-	-	365,644
Dental supplies and lab fees	76,588	-	-	76,588
Depreciation	48,880	15,057	-	63,937
Donor recognition	138	-	-	138
Electronic health records	136,523	-	-	136,523
Employee benefits	53,995	1,057	-	55,052
Insurance	58,024	31	39	58,094
Interest	386	43	-	429
Medical supplies/lab fees	9,153	-	-	9,153
Miscellaneous	-	88	-	88
Office/postage	5,938	10,137	1,336	17,411
Parking	7,092	-	-	7,092
Patient education/services	6,871	-	-	6,871
Payroll taxes	120,290	1,038	1,014	122,342
Pharmaceuticals	2,156	-	-	2,156
Professional fees	7,835	20,300	7,495	35,630
Salaries and wages	1,560,276	13,422	12,971	1,586,669
Staff development	475	14,273	-	14,748
Telephone	11,688	1,299	-	12,987
Volunteer and staff appreciation	-	5,257	-	5,257
<b>Total functional expenses</b>	<b>\$ 2,482,680</b>	<b>\$ 83,188</b>	<b>\$ 23,936</b>	<b>\$ 2,589,804</b>

See notes to financial statements.

**ACCESS CARROLL, INC.**STATEMENT OF FUNCTIONAL EXPENSES – MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2023

		Supporting services		
	Program services	Management and general	Fundraising	Totals
<b>Functional expenses:</b>				
Advertising	\$ 49	\$ -	\$ 681	\$ 730
Cleaning, repairs and maintenance	10,184	1,132	-	11,316
Dental supplies and lab fees	112,387	-	-	112,387
Depreciation	54,535	15,070	-	69,605
Donor recognition	138	-	-	138
Electronic health records	69,531	-	-	69,531
Employee benefits	32,950	959	-	33,909
Insurance	52,374	44	-	52,418
Interest	5,933	531	386	6,850
Medical supplies/lab fees	40,894	-	-	40,894
Miscellaneous	-	264	520	784
Office/postage	4,865	9,499	701	15,065
Parking	3,584	-	-	3,584
Patient education/services	3,162	-	-	3,162
Payroll taxes	116,265	1,206	975	118,446
Pharmaceuticals	1,355	-	-	1,355
Professional fees	11,458	12,344	6,575	30,377
Salaries and wages	1,481,323	15,500	12,464	1,509,287
Staff development	60	3,645	-	3,705
Telephone	11,786	1,310	-	13,096
Volunteer and staff appreciation	-	3,303	-	3,303
<b>Total functional expenses</b>	<b>\$ 2,012,833</b>	<b>\$ 64,807</b>	<b>\$ 22,302</b>	<b>\$ 2,099,942</b>

See notes to financial statements.



**ACCESS CARROLL, INC.****STATEMENTS OF CASH FLOWS – MODIFIED CASH BASIS  
YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities:</b>		
Inflows:		
Cash received for patient services	\$ 1,039,357	\$ 879,447
Cash received from:		
Contributions and grants	1,296,539	1,191,550
Employee Retention Credit	368,382	
Special events	48,317	43,825
Interest received	38,264	20
	<u>2,790,859</u>	<u>2,114,842</u>
Outflows:		
Operating expenses paid	954,476	515,478
Cash paid to employees	1,586,669	1,509,287
Interest paid	429	6,850
	<u>2,541,574</u>	<u>2,031,615</u>
<b>Net cash provided by operating activities</b>	<u><b>249,285</b></u>	<u><b>83,227</b></u>
<b>Cash flows from financing activities:</b>		
Inflows, proceeds from line of credit	-	15,000
Outflows:		
Payments on obligations under finance lease	7,865	9,295
Repayment of line of credit	-	85,000
	<u>7,865</u>	<u>94,295</u>
<b>Net cash used in financing activities</b>	<u><b>(7,865)</b></u>	<u><b>(79,295)</b></u>
<b>Net increase in cash and cash equivalents</b>	<b>241,420</b>	<b>3,932</b>
<b>Cash and cash equivalents:</b>		
Beginning of year	<u>35,655</u>	<u>31,723</u>
<b>End of year</b>	<u><b>\$ 277,075</b></u>	<u><b>\$ 35,655</b></u>

See notes to financial statements.

## **ACCESS CARROLL, INC.**

### **NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2024 AND 2023**

#### **1. Nature of business and summary of significant accounting policies:**

##### *Nature of activities:*

Access Carroll, Inc. (the Organization) is a nonprofit organization that provides free and reduced integrated medical and dental care to uninsured and low-income residents of Carroll County, Maryland. The Organization is supported primarily through donor contributions, grants and patient fees.

##### *Basis of accounting:*

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Consequently, the Organization has not recognized promises to give from donors, accounts payable to vendors, gifts in kind and their related effects on the change in net assets in the accompanying financial statements. The modification is to record property and equipment, payroll tax liabilities and lease obligations in the statements of assets, liabilities and net assets - modified cash basis.

##### *Cash and cash equivalents:*

The Organization considers all unrestricted highly liquid instruments available for current use with an initial maturity of three months or less to be cash equivalents.

##### *Property and equipment:*

The Organization capitalizes property and equipment at cost when cost is greater than \$2,500 and the useful life is greater than one year. Property and equipment are depreciated over their estimated useful lives using the straight-line method as follows:

Leasehold improvements	15-39 years
Furniture and fixtures	7 years
Medical equipment	5-7 years
Office equipment	5-7 years
Computers and technology	5 years

##### *Net assets:*

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

##### Without donor restrictions:

Net assets without donor restrictions are resources that are currently available for support of the Organization's operations and are not subject to donor-imposed restrictions.

## **ACCESS CARROLL, INC.**

### **NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2024 AND 2023**

#### **1. Nature of business and summary of significant accounting policies (continued):**

##### *Net assets:*

##### With donor restrictions:

Net assets with donor restrictions are resources that may be utilized only in accordance with the restricted purpose established by the donor. The restriction may require the passage of time or the occurrence of a specific event to trigger the release of the restriction. The Organization considers all contributions and grants that are designated to a particular program to be transferred to net assets without donor restrictions when the terms of the restrictions have been met.

##### *Revenue recognition:*

Contributions and grants are recorded as support with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. All contributions and grants are considered to be available for use without donor restrictions unless specifically restricted by the donor. All donor-restricted contributions and grants received that are designated for future periods or for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. If the restrictions expire in the fiscal year in which the contributions are recognized, contributions that are restricted by the donor are reported as increases in net assets without donor restrictions.

The Organization also generates revenue through providing dental, medical and behavioral health services. Fees for these services are collected from third-party payers and patients depending on the patient's insurance coverage, family size, family income and type and number of services required to provide care. Patient and other income is recognized in the statement of revenues, expenses and changes in net assets – modified cash basis as received and without donor restrictions.

##### *Functional expenses:*

The costs of providing the various programs, supporting services and other activities have been summarized on a functional basis in the statement of revenues, expenses and change in net assets - modified cash basis. The statement of functional expenses - modified cash basis presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. 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 the Organization. Personnel-related expenses are allocated based on approximate time worked on each function.

##### *Tax-exempt status:*

The Organization is incorporated under the laws of the State of Maryland 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.

##### *Use of estimates:*

Management uses estimates and assumptions in preparing the financial statements in accordance with the modified cash basis of accounting. 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.

## ACCESS CARROLL, INC.

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2024 AND 2023

#### 1. Nature of business and summary of significant accounting policies (continued):

##### *Reclassifications:*

Certain reclassifications have been made to prior year amounts to conform to the current year financial statement presentation.

#### 2. Concentrations:

The Organization maintains its cash deposits in financial institutions located in Westminster, Maryland. Cash deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the year ended June 30, 2024. As of June 30, 2024, the cash deposits exceed the limit by \$60,851, representing the maximum loss risk.

The Organization depends on receiving contributions from Carroll Hospital, A LifeBridge Health Center, for a significant portion of their support each year. For the years ended June 30, 2024 and 2023, contributions received from Carroll Hospital, A LifeBridge Health Center, accounted for approximately 27% and 39%, respectively, of the Organization's total revenue and support. In addition, Carroll Hospital, A LifeBridge Health Center, also contributed salary and benefits in the amount of \$363,198 and \$321,757 in the years ended June 30, 2024 and 2023, respectively, that are not recorded in the financial statements.

#### 3. Financial assets and liquidity resources:

The Organization's financial assets as of June 30, 2024 and 2023 consisted of cash and cash equivalents of \$277,075 and \$35,655, respectively, all of which is available for expenditure within one year. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

#### 4. Leases:

The Organization leases a copier under a finance lease that expires in August 2024. The lease was renewed in April 2025 for 60 months. The asset and liability related to the finance lease and the associated financial statement line items were as follows for the years ended June 30, 2024 and 2023:

Lease-related asset and liability	Financial statement line items	2024	2023
Right-of-use asset, finance lease	Property and equipment: office equipment, net of accumulated depreciation of \$41,470 and \$32,890, at June 30, 2024 and 2023, respectively	<u>\$ 1,430</u>	<u>\$ 10,010</u>
Lease liability:			
Finance lease	Current liabilities: finance lease	\$ 2,145	\$ 8,580
	Long-term liabilities: finance lease	<u>-</u>	<u>1,430</u>
Total lease liability		<u>\$ 2,145</u>	<u>\$ 10,010</u>

## **ACCESS CARROLL, INC.**

### **NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2024 AND 2023**

#### **4. Leases (continued):**

The components of lease cost and the associated financial statement line items were as follows for the years ended June 30, 2024 and 2023:

<u>Lease-related expenses</u>	<u>Financial statement line items</u>	<u>2024</u>	<u>2023</u>
Depreciation of right-of-use asset	Depreciation expense	\$ 8,580	\$ 8,580
Interest on lease liability	Interest expense	<u>429</u>	<u>508</u>
Total finance lease costs		<u>\$ 9,009</u>	<u>\$ 9,088</u>

The future lease liability under financing leases are as follows for the year ended June 30:

2025	<u>\$ 2,262</u>
Total minimum lease payments	2,262
Less: amounts representing interest	<u>117</u>
Present value of net minimum lease payments	2,145
Less: current portion	<u>2,145</u>
Long-term portion of finance lease	<u>\$ -</u>

A thirty-year lease was entered into in 2011 with the County Commissioners of Carroll County, Maryland, (the County) for the use of space, including utilities, within the Barrel House Building located at 10 Distillery Drive, Westminster, Maryland. The lease may be renewed for additional terms should the parties agree. Both parties agreed that there is no monetary consideration for this lease; rather the facility is provided by the County in considerations of the services provided to the community by the Organization.

#### **5. Employee Retention Credit (ERC):**

The Organization was eligible for the ERC under the CARES Act. In July 2023, the Organization received \$406,626, accounting for 15% of total revenue and support for the year ended June 30, 2024, for 2021 Form 941 Employer Quarterly Federal Tax Return refund payments related to the quarters ended March 31, 2021 and June 30, 2021. \$38,244 of this amount represents interest income. These amended returns remain open to examination for up to six years after they were filed.

#### **6. Subsequent events:**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 3, 2025, the date the financial statements were available to be issued.