Financial Statement 2020

APLA Health is a careful steward of the gifts entrusted to us. We spend wisely to maximize our community impact, minimize overhead and prepare for the future and the needs of those we serve. We are grateful for your generosity.

For a complete copy of our financial statement, audited by **BKD, LLP**, please visit our **Financials & Annual Reports** page.

Revenue

- Net Fundraising (1.4%)
- Contributions (6.4%)
- Grants (2.3.6%)
- Net Patient Service Revenue (61.6%)
- Medi-Cal Waiver Revenue (3.7%)
- Contributed Goods and Services (2.1%)
- Other Revenue (0.7%)
- Investment Income (0.5%)

Expenses

- Total Program Services (88.5%)
- Management and General (7.4%)
- Fundraising (4.0%)

Consolidated Statement of Activities
June 30, 2020

	2020			2019
Revenue & Support	Unrestricted	Temporarily Restricted	Total	Total
Net Fundraising	$853,526		$853,526	$996,258
Contributions	$2,144,263	$1,713,528	$3,857,791	$4,336,726
Grants	$14,291,978		$14,291,978	$14,029,514
Net Patient Service Revenue	$37,270,259		$37,270,259	$27,971,550
Medi-Cal Waiver Revenue	$2,226,382		$2,226,382	$1,972,490
Contributed Goods and Services	$1,293,096		$1,293,096	$1,549,812
Other Revenue	$360,466	75,635	$436,101	$570,619
Investment Income	$87,770	$186,107	$273,877	$285,309
Net Assets Released from Restricted	$1,681,136	($1,681,136)	–	–
Total	**$60,408,876**	**$294,134**	**$60,703,010**	**$51,712,278**
	2020			**2019**
Expenses	Unrestricted	Temporarily Restricted	Total	Total
Client Support	$6,128,369		$6,128,369	$5,136,274
Education	$5,969,331		$5,969,331	$6,982,991
Clinical Services	$36,657,099		$36,657,099	$27,071,222
Government Affairs	$572,326		$572,326	$509,958
Total Program Services	$49,327,125		$49,327,125	$39,700,445
Management and General	$4,143,889		$4,143,889	$3,596,882
Fundraising	$2,250,026		$2,250,026	$1,834,713
Total	**$55,721,040**		**$55,721,040**	**$45,132,040**
Change in Net Assets	$4,487,836	$294,134	$4,781,970	$6,580,238
Net Assets, Beginning of Year	$15,736,360	$4,721,661	$20,458,021	$13,877,783
Net Assets, End Of Year	$20,224,196	$5,015,795	$25,239,991	$20,458,021

Consolidated Statement of Financial Position
June 30, 2020

	2020			2019
Assets	Unrestricted	Temporarily Restricted	Total	Total
Cash and Cash Equivalents	$10,032,284	$940,178	$10,972,462	$9,086,699
Investments	$507,499		$507,499	$2,379,909
Term Endowments		2,617,480	$2,617,480	$2,571,269
Accounts Receivable, net	$5,906,615		$5,906,615	$3,762,154
Medi-Cal Waiver Receivable	$444,414		$444,414	$416,880
Grants Receivable	$2,865,700		$2,865,700	$2,180,460
Contributions Receivable	$155,501	$644,050	$799,551	$1,125,659
Prepaid Expenses & Other Accounts	$303,969		$303,969	$343,065
Deposits	$7,585,652	695,513	$8,281,165	$132,504
Inventory	$244,111		$244,111	$201,971
Split Interest Agreements		$14,087	$14,087	$16,657
Property and Equipment (net)	$3,454,841	104,487	$3,559,328	$3,433,540
Total Assets	**$31,500,586**	**$9,015,795**	**$36,516,381**	**$25,648,567**
	2020			**2019**
Liabilities & Net Assets	Unrestricted	Temporarily Restricted	Total	Total
Current Liabilities				
Accounts Payable	$3,001,333		$3,001,333	$2,331,762
Accrued Expenses	$2,087,989		$2,087,989	$1,479,316
Deferred Revenue	$1,327,578		$1,327,578	$969,978
Notes Payable	$4,859,490		$4,859,490	$409,490
Total Liabilities	**$11,276,390**		**$11,276,390**	**$5,190,546**
Net Assets				
Unrestricted				
Undesignated	$13,350,404		$13,350,404	$11,339,458
Board Designated	$6,873,792		$6,873,792	$4,396,902
Temporarily Restricted		$5,015,795	$5,015,795	$4,721,661
Total Net Assets	**$20,224,196**	**$5,015,795**	**$25,239,991**	**$20,458,021**
Total Liabilities & Assets	**$31,500,586**	**$5,015,795**	**$36,516,381**	**$25,648,567**

Independent Auditor's Report

Board of Directors
APLA Health & Wellness and The Global Forum on MSM & HIV (MSMGF)
Los Angeles, California

We have audited the accompanying consolidated financial statements of APLA Health & Wellness and The Global Forum on MSM & HIV (MSMGF) (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the 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 consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization'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 consolidated 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 consolidated financial statements referred to above present fairly, in all respects, the financial position of APLA Health & Wellness and The Global Forum on MSM & HIV (MSMGF) as of June 30, 2020, and the changes in its net assets and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters
As discussed in Note 2A to the consolidated financial statements, in 2020, the Organization adopted Accounting Standards Update (ASU) 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made and ASU 2016-01, Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. Our opinion is not modified with respect to these matters.

Other Information
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Summarized Comparative Information
We have previously audited the June 30, 2019, consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 11, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

BKD, LLP
CPAs & Advisors

Springfield, Missouri
November 25, 2020

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APLA Health & Wellness is a Health Center Program grantee under 42 U.S.C. 254b, and a deemed Public Health Service employee under 42 U.S.C. 233(g)-(n) for purposes of medical malpractice claims and, as such, qualified for protection under the Federal Tort Claims Act.

APLA Health & Wellness's Federally Qualified Health Center program is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) as part of an award totaling $3,292,368 with 0% financed with non-governmental sources. The contents are those of APLA Health & Wellness and do not necessarily represent the official views of, nor an endorsement by, HRSA, HHS, or the U.S. Government. For more information, please visit HRSA.gov.

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APLA Health & Wellness is a 501(c)(3) charitable organization doing business as APLA Health. Donations are tax-deductible to the full extent of the law. Our tax ID number is 84-1661910.