

**TENNESSEE CHARITABLE
CARE NETWORK, INC.**

Financial Statements

For the Year Ended December 31, 2020

**With Independent Accountant's
Review Report Thereon**



Tennessee Charitable Care Network, Inc.

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Independent Accountant's Review Report

To the Board of Directors of
Tennessee Charitable Care Network, Inc.

We have reviewed the accompanying financial statements of Tennessee Charitable Care Network, Inc. which comprise the statements of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. 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'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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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 accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in blue ink, appearing to read 'A. J. Miller', followed by the text 'CPA, PLLC' in a similar blue ink.

Miller CPA, PLLC
Murfreesboro, Tennessee
July 16, 2021

TENNESSEE CHARITABLE CARE NETWORK, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

CURRENT ASSETS

Cash and equivalents	\$ 115,464
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TOTAL ASSETS	<u>\$ 115,464</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 283
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TOTAL LIABILITIES	283
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NET ASSETS

Net assets without donor restrictions	115,181
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Net assets with donor restrictions	<u>-</u>
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Total net assets	<u>115,181</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 115,464</u>
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See accompanying notes to financial statements and independent accountant's review report.

TENNESSEE CHARITABLE CARE NETWORK, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
REVENUE AND PUBLIC SUPPORT			
Contributions	\$ 141,730	\$ -	\$ 141,730
Membership fees	16,750	-	16,750
Forgiveness of Payroll Protection Program note payable	12,737	-	12,737
Interest	104	-	104
Conference fees	22,978	-	22,978
TOTAL REVENUE AND PUBLIC SUPPORT	194,299	-	194,299
NET ASSETS RELEASED FROM RESTRICTIONS	-	-	-
TOTAL REVENUE	194,299	-	194,299
EXPENSES			
Program services	150,436	-	150,436
Management and general	27,689	-	27,689
Fundraising	21,939	-	21,939
TOTAL EXPENSES	200,064	-	200,064
CHANGE IN NET ASSETS	(5,765)	-	(5,765)
Net Assets at Beginning of Year	120,946	-	120,946
NET ASSETS AT END OF YEAR	\$ 115,181	\$ -	\$ 115,181

See accompanying notes to financial statements and independent accountant's review report.

TENNESSEE CHARITABLE CARE NETWORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services	Management and General	Fund- raising	Total Expenses
Payroll	\$ 20,380	\$ 20,380	\$ 20,380	\$ 61,140
Payroll taxes	1,559	1,559	1,559	4,677
Bank charges	441	88	-	529
Grants to other not for profit organizations	86,897	-	-	86,897
Insurance	-	932	-	932
Licenses and permits	-	140	-	140
Miscellaneous	178	159	-	337
Postage	1,081	-	-	1,081
Professional fees	-	2,501	-	2,501
Contract services	25,616	-	-	25,616
Membership fees	835	-	-	835
Conference	11,196	-	-	11,196
Advertising	280	-	-	280
Technology	1,973	1,930	-	3,903
Total Expenses	<u>\$ 150,436</u>	<u>\$ 27,689</u>	<u>\$ 21,939</u>	<u>\$ 200,064</u>

See accompanying notes to financial statements and independent accountant's review report.

TENNESSEE CHARITABLE CARE NETWORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (5,765)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Decrease in operating liabilities:	
Accounts payable and accrued expenses	<u>(432)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(6,197)</u>
 NET DECREASE IN CASH AND EQUIVALENTS	 (6,197)
 CASH AND EQUIVALENTS, AT BEGINNING OF YEAR	 <u>121,661</u>
 CASH AND EQUIVALENTS, AT END OF YEAR	 <u>\$ 115,464</u>

See accompanying notes to financial statements and independent accountant's review report.

TENNESSEE CHARITABLE CARE NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE A—NATURE OF ACTIVITIES, BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING PRINCIPLES

Nature of Operations

Tennessee Charitable Care Network, Inc. (the “Organization”) is a network of nonprofit clinics and programs located in Nashville, Tennessee for low-income, uninsured, and underserved Tennesseans. The Organization’s mission is to support, educate, and represent non-profit organizations that provide charitable health care services.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and other support and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation

The Organization presents its financial statements in accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958, *Financial Statements for Not-for-Profit Organizations*. Accordingly, the Organization reports information regarding its financial position and activities according to the two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions

Net assets without donor restrictions include unrestricted resources which represent the portion of funds that are available for the operating objectives of the Organization.

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of donor restricted contributions. Amounts restricted by donors for a specific purpose are deemed to be earned and reported as revenue within net assets with donor restrictions when received, and such unexpended amounts are reported as net assets with donor restrictions at year-end. When the donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as “released from restrictions”.

Net assets with donor restrictions also consist of donor restricted contributions, which are required to be held in perpetuity. As of December 31, 2020, there were no net assets with donor restrictions required to be held in perpetuity. Income from the assets held is available for either general operations or specific purposes, in accordance with donor stipulations.

TENNESSEE CHARITABLE CARE NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE A—NATURE OF ACTIVITIES, BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Contributions

Contributions are recognized as revenue when received or unconditionally pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. The Organization reports gifts of land, buildings and equipment as net assets without donor restrictions at the estimated fair value. Gifts of long-lived assets with explicit restrictions that specify how the assets are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service as instructed by the donor.

Cash and Equivalents

Cash and equivalents include cash on hand and short-term investments with original maturities of three months or less.

Functional Expenses

Expenses are summarized and categorized based upon their functional classification as either program, management and general or fundraising. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, the expenses require allocation on a reasonable basis that is consistently applied. The Organization has determined the allocation based on estimates of time and effort within the salaries and compensation expense; which in turn created a percent allocation that was used to determine the allocation of certain other expenses.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements. The Organization has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509 (a) (2) of the Internal Revenue Code.

The Organization has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2017, 2018 and 2019. However, the Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization’s tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the years ended December 31, 2020.

TENNESSEE CHARITABLE CARE NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE B—AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization’s financial assets as December 31, 2020 and 2019, reduced by amounts not available for general use because of donor imposed restrictions within one year of December 31, 2020 and 2019.

Financial assets, at year-end	\$ 115,464
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	_____ -
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 115,464</u>

The Organization is substantially supported by unrestricted contributions. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization’s liquidity management, it sends out cash as the restricted contributions and grants come in and maintains a level of cash related to contributions without donor restrictions.

NOTE C—PAYROLL PROTECTION PROGRAM

During the year ended December 31, 2020, the world entered a pandemic due to COVID-19. To assist entities through economic downturn due to the pandemic, the United States government offered the Payroll Protection Program. Through this program, the government provided funds equal to two and a half months payroll originally as a note payable. These funds were to be used for payroll and the related cost, utilities and rent payments. If these funds are used for these purposes, the note payable would be forgiven.

The Organization received funds totaling \$12,737 through the program and spent the funds for the designated purposes. As of December 31, 2020, the note had not formally been forgiven. Since the funds were spent for the designated purposes and the note payable was subsequently forgiven, the Organization has recorded the funds as a grant in the period the reimbursed disbursements were paid.

NOTE D—CASH FLOW INFORMATION

During the year ended December 31, 2020 there were no cash disbursements for interest or income taxes.

NOTE E—RISK CONCENTRATION

At times throughout the year, the Company may maintain cash balances in certain accounts in excess of Federal Deposit Insurance Corporation (“FDIC”) limits which have been established to be \$250,000 for substantially all depository accounts. The Company as of December 31, 2020 has no funds in excess of the FDIC limit.

TENNESSEE CHARITABLE CARE NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE F—SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 16, 2021 which is the date the financial statements were available to be issued. There were no subsequent events or transactions requiring the financial statements to be adjusted.