

INTERFAITH DENTAL CLINIC

Financial Statements

June 30, 2009

INTERFAITH DENTAL CLINIC OF NASHVILLE
Financial Statements
June 30, 2009

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Independent Auditors' Report

To the Board of Directors of
Interfaith Dental Clinic of Nashville

We have audited the accompanying statements of financial position of Interfaith Dental Clinic of Nashville (a nonprofit organization) as of June 30, 2009 and 2008, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Interfaith Dental Clinic of Nashville as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Parker, Parker & Associates

October 1, 2009

INTERFAITH DENTAL CLINIC OF NASHVILLE
Statements of Financial Position
June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Current Assets		
Cash	\$ 64,329	\$ 222,005
Patient Accounts Receivable, Net of Allowance of \$28,656 in 2009 and \$20,819 in 2008	77,744	49,516
Government Grant Receivable	28,636	14,876
Contributions Receivable, Net of Allowance and Discount of \$32,010 in 2009 and \$8,908 in 2008	151,923	142,167
Employee Receivable	399	-
Prepaid Expenses	5,706	10,222
Total Current Assets	<u>328,737</u>	<u>438,786</u>
Property & Equipment		
Building	1,187,538	1,187,538
Dental Equipment	384,435	377,009
Office Equipment	47,704	42,743
Land	143,453	143,453
	<u>1,763,130</u>	<u>1,750,743</u>
Less: Accumulated Depreciation	<u>(558,730)</u>	<u>(477,441)</u>
Total Property & Equipment	<u>1,204,400</u>	<u>1,273,302</u>
Other Assets		
Restricted Cash and Investments	264,741	291,525
Beneficial Interest in Agency Endowment Fund Held by the Community Foundation of Middle Tennessee	6,474	8,002
Contributions Receivable, Net of Allowance and Discount of \$36,258 in 2009 and \$33,606 in 2008	192,733	200,113
Total Other Assets	<u>463,948</u>	<u>499,640</u>
Total Assets	<u><u>\$ 1,997,085</u></u>	<u><u>\$ 2,211,728</u></u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 19,414	\$ 15,375
Accrued Salaries, Wages, Payroll Deductions Withheld & Taxes	38,608	38,708
Accrued Retirement Contributions	1,205	11,695
Patient Credits	12,145	7,145
Total Current Liabilities	<u>71,372</u>	<u>72,923</u>
Net Assets		
Unrestricted Net Assets		
Unrestricted	1,654,498	1,839,278
Board Designated for Clinic Emergency and Building Maintenance	163,193	182,092
Board Designated for Beneficial Interest	6,474	8,002
Board Designated for Graham Memorial Fund	101,548	109,433
Total Unrestricted Net Assets	<u>1,925,713</u>	<u>2,138,805</u>
Total Liabilities and Net Assets	<u><u>\$ 1,997,085</u></u>	<u><u>\$ 2,211,728</u></u>

See notes to financial statements.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Statements of Activities
For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Unrestricted Net Assets		
Revenue		
Patient Fees	\$ 507,431	\$ 448,578
Investment Loss	(41,364)	(44,878)
Interest and Dividend Income	14,918	32,052
Support		
United Way	132,595	126,626
Government Grants	74,500	68,376
Individual and Foundation Contributions	449,608	666,885
Corporate Contributions	31,794	36,804
Church Contributions	19,437	20,612
Bleaching	71,977	51,269
Christmas Cards	9,150	8,118
Gala	101,020	104,587
Marathon	3,435	7,016
Other Special Events	20,159	12,405
Donated Professional Services	445,980	404,857
Donated Supplies and Equipment	35,281	29,884
Total Revenue and Support	<u>1,875,921</u>	<u>1,973,191</u>
Net Assets Released from Restrictions		
Capital Campaign Restrictions Satisfied by Payments	<u>-</u>	<u>224,688</u>
Total Unrestricted Revenue, Support and Reclassifications	1,875,921	2,197,879
Expenses		
Dental Services	1,785,993	1,657,369
Management and General	33,389	28,456
Operational Fundraising	269,631	296,965
Tenant	<u>-</u>	<u>145</u>
Total Expenses	<u>2,089,013</u>	<u>1,982,935</u>
(Decrease) Increase in Unrestricted Net Assets	(213,092)	214,944
Temporarily Restricted Net Assets		
Net Assets Released from Restrictions	<u>-</u>	<u>(224,688)</u>
Decrease in Temporarily Restricted Net Assets	-	(224,688)
Decrease in Net Assets	(213,092)	(9,744)
Net Assets - Beginning of Year	<u>2,138,805</u>	<u>2,148,549</u>
Net Assets - End of Year	<u><u>\$ 1,925,713</u></u>	<u><u>\$ 2,138,805</u></u>

See notes to financial statements.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Statements of Functional Expenses
For the Years Ended June 30, 2009 and 2008

	2009				2008				
	Supporting Services				Supporting Services				
	Dental Services	Management and General	Operational Fundraising	Total	Dental Services	Management and General	Operational Fundraising	Tenant	Total
Salaries and Wages	\$ 783,944	\$ 20,737	\$ 106,545	\$ 911,226	\$ 721,853	\$ 18,500	\$ 87,000	\$ -	\$ 827,353
Payroll Taxes & Benefits	152,471	3,741	19,754	175,966	141,192	3,760	14,520	-	159,472
Bad Debt	10,282	-	50,336	60,618	3,380	-	123,372	-	126,752
Collections	530	-	-	530	-	-	-	-	-
Communication Expenses	4,363	154	616	5,133	5,562	200	800	-	6,562
Continuing Education, Memberships and Volunteer and Employee Recognition	8,348	368	1,129	9,845	7,035	300	334	-	7,669
Dental Lab	99,020	-	-	99,020	96,653	-	-	-	96,653
Dental Supplies	72,139	-	-	72,139	71,904	-	-	-	71,904
Depreciation	81,289	-	-	81,289	78,865	-	-	-	78,865
Donated Dental Supplies	14,363	-	-	14,363	6,459	-	-	-	6,459
Donated Professional Services	445,980	-	-	445,980	404,857	-	-	-	404,857
General Supplies	1,544	49	49	1,642	1,529	50	50	-	1,629
Insurance	14,328	506	506	15,340	12,630	1,400	100	-	14,130
Interior/Exterior Building Expenses	13,599	334	334	14,267	13,926	375	378	-	14,679
Loss on Disposal of Assets	-	-	-	-	3,658	-	-	-	3,658
Merchant, Bank and Investment Fees	5,685	152	1,744	7,581	9,069	242	2,781	-	12,092
Office Supplies	2,825	706	706	4,237	4,400	48	335	-	4,783
Printing and Postage	11,393	152	3,645	15,190	2,862	119	8,945	-	11,926
Professional Services	13,501	5,083	2,577	21,161	24,833	1,251	2,665	-	28,749
Dental Equipment, Repairs & Maintenance	8,224	-	-	8,224	4,820	-	-	-	4,820
Donated Dental Equipment, Repairs & Maintenance	13,918	-	-	13,918	-	-	-	-	-
Special Events	-	-	79,597	79,597	-	-	51,977	-	51,977
Computer Support, Repairs & Maintenance	11,659	686	1,372	13,717	25,437	1,496	2,993	-	29,926
Taxes on Unrelated Income	-	-	-	-	-	-	-	145	145
Utilities	16,588	721	721	18,030	16,445	715	715	-	17,875
Total Expenses	\$ 1,785,993	\$ 33,389	\$ 269,631	\$ 2,089,013	\$ 1,657,369	\$ 28,456	\$ 296,965	\$ 145	\$ 1,982,935

See notes to financial statements.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Statements of Cash Flows
For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash Flows from Operating Activities		
Decrease in Net Assets	\$ (213,092)	\$ (9,744)
Adjustments to Reconcile Decrease in Net Assets to Cash Used in Operating Activities:		
Depreciation	81,289	78,865
Loss on Disposal of Assets	-	3,658
Donated Property and Equipment	(7,000)	(23,425)
Donated Marketable Securities	-	(7,486)
Realized and Unrealized Losses on Investments	41,364	63,066
(Increase) Decrease in Patient Accounts Receivable	(28,228)	5,747
Increase in Contributions Receivable	(2,376)	(105,614)
Increase in Government Grant Receivable	(13,760)	(14,876)
Increase in Employee Receivable	(399)	-
Decrease (Increase) in Prepaid Expenses	4,516	(4,213)
Decrease in Beneficial Interest in Agency Endowment Fund	1,528	320
Increase (Decrease) in Accounts Payable	4,039	(8,483)
(Decrease) Increase in Accrued Liabilities	(10,590)	2,046
Increase in Patient Credits	5,000	3,768
Total Adjustments	<u>75,383</u>	<u>(6,627)</u>
Net Cash Used in Operating Activities	<u>(137,709)</u>	<u>(16,371)</u>
 Cash Flows from Investing Activities		
Payments for the Purchase of Investments, Net of Fees	(360,125)	(155,689)
Proceeds from Sale of Investments	345,560	153,308
Payments for the Purchase of Property and Equipment	(5,402)	(41,379)
Net Cash Used in Investing Activities	<u>(19,967)</u>	<u>(43,760)</u>
 Net Decrease in Cash	 (157,676)	 (60,131)
Cash - Beginning of Year	<u>222,005</u>	<u>282,136</u>
Cash - End of Year	<u>\$ 64,329</u>	<u>\$ 222,005</u>
 Supplemental Cash Flow Disclosures:		
Cash Paid For:		
Taxes on Unrelated Income	\$ -	\$ 145
Noncash Investing Transactions:		
Donated Property and Equipment	\$ 7,000	\$ 23,425
Donated Investments	\$ -	\$ 7,486

See notes to financial statement.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements
June 30, 2009 and 2008

Note 1. Summary of Significant Accounting Policies

A. Organization and Nature of Activities

Interfaith Dental Clinic of Nashville (the "Clinic") is a nonprofit organization dedicated to providing affordable dental care to uninsured working poor families and those over age 65 in the greater Nashville area through access to affordable quality dental care, oral disease prevention services, and oral health education.

B. Basis of Accounting

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

C. Financial Statement Presentation

The net assets of the Clinic and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time.

D. Estimates

The preparation of the 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.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes cash on hand, demand deposits and investments with initial maturities of three months or less. The Clinic considers all cash and cash equivalents held with the investment advisor to be investments. As of June 30, 2009 and 2008, there are no cash equivalents.

F. Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of their estimated future cash flows unless the value not discounted is immaterial to the financial statements as a whole. Conditional promises to give are not included as support until the conditions are substantially met.

G. Investments

Investments are stated at the readily determinable fair market value in accordance with Financial Accounting Standards Board ("FASB") Statement No. 124 *Accounting for Certain Investments Held by Not-for-Profit Organizations*. All interest, dividends and unrealized gains and losses are reported in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

H. Property, Plant and Equipment

Property, plant and equipment with estimated useful lives greater than one year and cost of more than \$500 are carried at cost if purchased or fair market value if donated. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years.

I. Contributed Property and Equipment

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements - Continued
June 30, 2009 and 2008

Note 1. Summary of Significant Accounting Policies - Continued

J. Income Taxes

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

K. Functional Expenses

Expenses are charged directly to program, management and general, or fundraising based on a combination of specific identification and allocation by management.

L. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. If a restriction is fulfilled in the same time period in which the contribution is received, the organization reports the support as unrestricted. Otherwise, when a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

M. Contributed Services

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Clinic receives many contributed services from various dental professionals. These services meet the requirements for recognition in the financial statements and have been recorded or reflected in the accompanying financial statements.

N. Patient Fees

Fees are charged to the patients on a sliding scale based on their ability to pay according to the Federal Poverty Guidelines for Tennessee. Market value for services performed during 2009 and 2008 were \$2,366,132 and \$1,980,454. The discount between market value and patient fees recognized fluctuates with patient mix. The majority of patients are charged 20% of market value.

O. Agency Endowment Fund

The Clinic's beneficial interest in an agency endowment fund held by the Community Foundation of Middle Tennessee is recognized as an asset. In accordance with FASB Statement No. 136 *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, investment income and changes in the value are recognized in the statement of activities. Distributions received from the fund are recorded as decreases in the beneficial interest.

P. Fair Value Measurements

Effective July 1, 2008, the Clinic adopted Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, which defines fair value, establishes guidelines for measuring fair value and expands disclosures regarding fair value measurements. SFAS No. 157 does not require any new fair value measurements but rather eliminates inconsistencies in guidance found in various other accounting pronouncements. The adoption of SFAS No. 157 did not have an impact on the Clinic's statement of financial position or the related statements of activities, functional expenses and cash flows.

Assets and liabilities measured at fair value are recorded in accordance with SFAS No. 157, which clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements - Continued
June 30, 2009 and 2008

Note 1. Summary of Significant Accounting Policies - Continued

P. Fair Value Measurement - Continued

considering such assumptions, SFAS No. 157 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 Inputs – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.

Level 2 Inputs – Inputs other than quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs – Unobservable inputs in which there is little or no market data, which requires management to develop their assumptions.

Note 2. Investments

The Clinic holds investments contributed to the Graham Memorial Fund and the 1998 Building Fund in various equity securities and cash. These investments are carried at the fair market value determined on June 30 using quoted market prices. The investments are as follows:

	2009		2008	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Money Market	\$ 74,057	\$ 74,057	\$ 4,698	\$ 4,698
Certificates of Deposit	30,726	30,726		
Mutual Funds	159,958	187,183	286,827	315,265
	<u>\$ 264,741</u>	<u>\$ 291,966</u>	<u>\$ 291,525</u>	<u>\$ 319,963</u>

Note 3. Contributions Receivable

Unconditional promises to give are recorded as follows:

	2009	2008
Receivable in One Year or Less	\$ 183,933	\$ 151,075
Receivable in One to Five Years	228,991	233,719
Total Contributions Receivable-Unrestricted	<u>\$ 412,924</u>	<u>\$ 384,794</u>
	2009	2008
Contributions Receivable	\$ 412,924	\$ 384,794
Less:		
Discounts for the Time Value of Money	(26,976)	(23,274)
Allowance for Uncollectible Receivables	(41,292)	(19,240)
Contributions Receivable, Net	<u>\$ 344,656</u>	<u>\$ 342,280</u>

Gross contributions have been discounted to account for the time value of money using discount rates ranging from 2.61% to 4.50%. For 2009, the rates were determined using a risk-adjustment discount rate technique after an allowance had been established. For 2008, the rates were determined using United States Treasury Bond zero coupon rates in effect on the dates when the contributions were received by donors, respectively.

Note 4. Contributed Property, Equipment and Services

Donated property, equipment and services are used in the ongoing operations of the Clinic. The value of donated property, equipment and services included in the financial statements and the corresponding expenditure or asset capitalization for the years ended June 30 are as follows:

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements - Continued
June 30, 2009 and 2008

Note 4. Contributed Property, Equipment and Services - Continued

Revenues		
	2009	2008
Donated Professional Services	\$ 445,980	\$ 404,857
Donated Supplies & Equipment	35,281	29,884
	<u>\$ 481,261</u>	<u>\$ 434,741</u>
Expenses		
	2009	2008
Donated Professional Dental Services	\$ 445,980	\$ 404,857
Dental Supplies	14,363	6,459
Repairs and Maintenance	13,918	-
Dental Equipment	7,000	23,425
	<u>\$ 481,261</u>	<u>\$ 434,741</u>

Note 5. Beneficial Interest in Agency Fund Endowment

During the year ended June 30, 2002, the Clinic transferred \$5,000 to the Community Foundation of Middle Tennessee ("Community Foundation") under an agency endowment fund. It is the hope of the Clinic that other individuals will contribute to the fund. The Clinic has granted variance power to the Community Foundation, and the Community Foundation has ultimate authority and control over the Fund and the income derived there from. The clinic retains a beneficial interest in the endowment fund held by the Community Foundation. Upon request by the Clinic, income from the fund representing an annual return may be distributed to the Clinic or to another suggested beneficiary subject to the approval of the Community Foundation. The fund is charged a .4% administrative fee annually on the principal.

A schedule of the changes in the Clinic's beneficial interest in this fund for the years ended June 30 is as follows:

	2009	2008
Beneficial Interest - Beginning of Year	\$ 8,002	\$ 8,322
Change in Value of Beneficial Interest:		
Contributions to the Fund	100	-
Realized Gain (Loss)	(398)	60
Unrealized Gain (Loss)	(1,322)	(717)
Interest and Dividends	140	389
Investment Fees	(17)	(19)
Administrative Expenses	(32)	(33)
	<u>(1,528)</u>	<u>(320)</u>
Distributions to the Clinic	<u>-</u>	<u>-</u>
Beneficial Interest - End of Year	<u>\$ 6,474</u>	<u>\$ 8,002</u>

Note 6. Net Assets

Board designated net assets are available for the following purposes:

Beneficial Interest – See Note 5.

Clinic Emergency and Building Maintenance – This account is intended to provide funds necessary for emergency of building maintenance beyond what is budgeted in the Clinic's fiscal budget. It is also intended to serve as potential seed money for the establishment of an endowment account.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements - Continued
June 30, 2009 and 2008

Note 6. Net Assets - Continued

Graham Memorial Fund – This fund is for the specific purpose of offsetting the cost of care for those patients who are unable to meet the 20% pay requirement, ensuring the proceeds are used directly for patient care.

Note 7. Fair Value Measurements

The following assets carried at fair value are reviewed and adjusted on a recurring basis:

Asset	Fair Value June 30, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
Contributions Receivable, Net	\$ 344,656	\$ -	\$ 344,656
Restricted Investments	\$ 159,958	\$ 159,958	\$ -
Beneficial Interest in Agency Endowment Fund Held by the the Community Foundation of Middle Tennessee	\$ 6,474	\$ 6,474	\$ -

The fair value of contributions receivable is estimated as the present value of expected future cash flows. As required by SFAS No. 157, a reconciliation of the beginning to ending balance of contributions receivable follows:

Contributions Receivable, Net - July 1, 2008	\$ 342,280
Increases:	
New Pledges	200,125
Decreases:	
Payments on Pledges	(146,670)
Write-Offs	(25,325)
Change in Allowance for Uncollectible Receivables	(22,052)
Change in Discount for the Time Value of Money	(3,702)
Contributions Receivable, Net - June 30, 2009	<u>\$ 344,656</u>

The change in the allowance for uncollectible receivables is included in bad debt expense on the Statements of Functional Expenses. The change in the discount for the time value of money is included in individual and foundation contributions on the Statements of Activities.

Note 8. Retirement Plan

The 401(k) Retirement Plan was temporarily suspended in January 2008 due to the leasing company merging with another company in order for the Plan to be re-approved by the Internal Revenue Service. The Plan did not start again until July 1, 2008. Prior to this time, the Clinic maintained a 401(k) Retirement Plan for all eligible employees. Employees age 21 or older became eligible to participate in the plan after one year of continuous service. The plan allowed participants to contribute a portion of their earnings up to the maximum amount allowable under the Internal Revenue Code each year. Effective January 1, 2008, the Clinic matched up to 3% of a participant's salary dollar for dollar and 50 cents on the dollar after that for a maximum of 4%. Participants must contribute 5% of their annual salary to get the full 4% match. Clinic contributions of \$36,345 and \$21,902 were made during the years ended June 30, 2009 and 2008, respectively. The Clinic may also make discretionary contributions to the retirement plan. For the years ended June 30, 2009 and 2008, discretionary contributions of \$11,695 and \$0, respectively, were made. The 2009 discretionary contributions to the plan were accrued at June 30, 2008 in the amount of \$11,695.

INTERFAITH DENTAL CLINIC OF NASHVILLE
Notes to Financial Statements - Continued
June 30, 2009 and 2008

Note 9. Concentrations

The Clinic maintains checking and money market accounts with banks whose accounts are insured by the Federal Deposit Insurance Corporation. At June 30, 2008 the Clinic's bank accounts exceeded FDIC insurance coverage by \$125,340.

For the years ended June 30, 2009 and 2008, the Clinic received 24% and 34% of its total revenue and support from the individual and foundation contributions and 27% and 23% from patient fees.

The Clinic has unsecured promises to give from donors located primarily in the Middle Tennessee region. The gross amounts due on unconditional promises to give at June 30, 2009 and 2008 are \$412,924 and \$384,794, respectively.

Note 10. Related Party Transaction

During 2008, the Clinic outsourced human resource functions including payroll preparation, health insurance administration and retirement plan administration to a company owned by a member of the board of directors. The Clinic paid the company \$13,309 during the year ended June 30, 2008.

Note 11. Subsequent Events

The Clinic has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended June 30, 2009 through October 1, 2009, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.