

PREVENT CHILD ABUSE TENNESSEE
FINANCIAL STATEMENTS AND
ACCOUNTANTS' COMPILATION REPORT

JUNE 30, 2008

PREVENT CHILD ABUSE TENNESSEE

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BELLENFANT + MILES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Prevent Child Abuse Tennessee
Nashville, Tennessee

We have compiled the accompanying statement of financial position of Prevent Child Abuse Tennessee as of June 30, 2008 and the related statement of activities, functional expenses and cash flows for the period then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying income statement and, accordingly, do not express an opinion or any other form of assurance on it.

Bellenfant & Miles, P.C.

February 5, 2009

PREVENT CHILD ABUSE TENNESSEE
STATEMENT OF FINANCIAL POSITION

JUNE 30, 2008

ASSETS

Current Assets:

Cash	\$ 14,294
Unconditional promises to give	8,974
Accounts receivable	<u>16,489</u>
Total Current Assets	<u>39,757</u>

Furniture and Equipment:

Furniture and equipment	28,346
Less: accumulated depreciation	<u>28,346</u>

Net Furniture and Equipment	<u>-</u>
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TOTAL ASSETS	<u><u>\$ 39,757</u></u>
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LIABILITIES AND NET ASSETS

Accounts payable	4,985
Line of credit payable	<u>10,000</u>

Total Current Liabilities	14,985
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Net Assets, unrestricted	<u>24,772</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 39,757</u></u>
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The accompanying notes and accountants' compilation report are an integral part of these financial statements.

PREVENT CHILD ABUSE TENNESSEE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

SUPPORT AND REVENUE:	Total
Tennessee Department of - Children Services	\$ 109,342
Finance and Administration Office of Criminal Programs	45,000
In-Kind Services	33,562
Roundtable Grant	20,000
VOCA Helpline	34,248
Contributions	86,944
Kappa Delta	30,983
Fees for Services	44,011
Fundraising	60,380
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Total Support and Revenue	464,470
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EXPENSES:	
Program Services:	
Parent Support Groups	102,598
Parent Helpline	93,178
Parent Pathway	89,268
Parent Awareness	123,333
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Total Program Services	408,377
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Support Services:	
Administration	29,798
Fundraising	25,655
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Total Support Services	55,453
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Total Expenses	463,830
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Change in Net Assets	640
Net Assets, July 1, 2007	24,132
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Net Assets, June 30, 2008	\$ 24,772
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The accompanying notes and accountants' compilation report are an integral part of these financial statements.

PREVENT CHILD ABUSE TENNESSEE

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2008

	Program Services				Support Services			
	Support Groups	Parent Helpline	Parent Pathway	Awareness	Total Program Services	Administration	Fund Raising	Total Support Services
Salaries	\$ 54,842	\$ 44,284	\$ 42,733	\$ 52,980	\$ 194,839	\$ 6,957	\$ 5,500	\$ 12,457
In Kind Salaries	8,000	9,562	8,000	8,000	33,562	-	-	-
Fringe Benefits	7,628	7,210	6,900	9,781	31,519	1,322	806	2,128
Professional Fees	1,771	-	1,771	3,542	7,084	11,510	2,405	13,915
Supplies	2,461	1,926	2,461	4,504	11,352	2,565	9,015	11,580
Telephone	4,434	17,393	4,434	6,923	33,184	-	-	-
Postage	387	486	386	668	1,927	-	-	-
Rent	4,220	4,650	4,220	5,240	18,330	-	5,146	5,146
Equipment & Maintenance	2,107	460	2,107	3,585	8,259	-	350	350
Printing	4,926	3,285	4,926	8,069	21,206	1,400	690	2,090
Travel/Conferences/Meetings	8,110	322	8,110	14,405	30,947	16	-	16
Insurance	799	3,600	799	799	5,997	-	274	274
Other	2,655	-	2,163	4,322	9,140	4,330	1,469	5,799
Scholarships	258	-	258	515	1,031	-	-	-
Total Expenses Before Depreciation	102,598	93,178	89,268	123,333	408,377	28,100	25,655	53,755
Depreciation	-	-	-	-	-	1,698	-	1,698
Total Expenses	\$ 102,598	\$ 93,178	\$ 89,268	\$ 123,333	\$ 408,377	\$ 29,798	\$ 25,655	\$ 55,453
								\$ 463,830

The accompanying notes and accountants' compilation report are an integral part of these financial statements.

PREVENT CHILD ABUSE TENNESSEE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 640
Adjustments to reconcile to net cash provided by operations	
Depreciation	1,698
(Increase) decrease in assets:	
Unconditional promises to give	2,193
Accounts receivable	(6,900)
Increase (decrease) in:	
Accounts payable	<u>3,450</u>
Net cash provided by operating activities	<u>1,081</u>

CASH FLOWS FROM FINANCING ACTIVITIES

New borrowings on line of credit	38,000
Principle payments on line of credit	<u>(28,000)</u>
Net cash provided by financing activities	<u>10,000</u>
NET INCREASE IN CASH	11,081
Cash, July 1, 2007	<u>3,213</u>
Cash, June 30, 2008	<u><u>\$ 14,294</u></u>

The accompanying notes and accountants' compilation report are an integral part of these financial statements.

PREVENT CHILD ABUSE TENNESSEE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Organization and Purpose:

Prevent Child Abuse Tennessee is a private, nonprofit agency located in Nashville, Tennessee. The Agency provides services aimed at preventing the occurrence or continuation of child abuse. These services consist of parent support groups, a statewide toll-free parent helpline, and pairing of trained volunteers with new families at a high risk for child abuse. All services are available at no charge. Principal funding is provided by Tennessee Department of Human Services. Agency operations are conducted by the executive director and staff under the guidance of the board of directors.

Basis of Presentation:

Prevent Child Abuse Tennessee prepares its financial statements and maintains its financial accounting records on the accrual basis of accounting.

Revenue Recognition:

Contributions and grants restricted by the donor, grantor, or other outside parties for particular operating purposes are deemed to be earned and reported as revenues when the Agency has incurred expenditures in compliance with the specific restrictions.

Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates:

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

Office Space:

Prevent Child Abuse Tennessee leases office space on a month-to-month basis. Rent expense for the year ended June 30, 2008 was \$23,476.

PREVENT CHILD ABUSE TENNESSEE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES - continued

Property and Equipment:

Disbursements for equipment with a unit cost in excess of \$500 are capitalized and reflected in the balance sheet at cost. Expenditures for additions are capitalized while those for maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method over the estimated useful life of each item and is reflected as an expense in the statement of activities. Donated items are recorded at estimated fair market value.

2. FEDERAL INCOME TAX STATUS

The Agency has been determined by the Internal Revenue Service to be exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes.

3. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of receivables from programs funded by the State of Tennessee.

Tennessee Department of Children's Services

\$	8,974
\$	8,974

4. FUNDING

The Agency receives a substantial amount of support from the Tennessee Department of Children's Services and Tennessee Department of Finance and Administration's Office of Criminal Justice Programs for operations. A major reduction of funds by the grantor agency, should this occur, may have a significant effect on future operations.

5. IN-KIND SUPPORT AND DONATIONS

Salaries

The Agency received a significant amount of volunteer services. Since these services were an integral part of the Agency's programs and would otherwise have been performed by salaried personnel, the estimated value of these services have been recorded as in-kind revenues and expenses.