

Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2004/05**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2004 calendar year, or tax year beginning July 1, 2004, and ending June 30, 20 05

- B** Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization**McNeilly Center for Children**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

400 Meridian Street

City or town, state or country, and ZIP + 4

Nashville, TN 37207-5922**D** Employer identification number**62 : 0479366****E** Telephone number**(615) 255-2549****F** Accounting method: ☐ Cash ☒ Accrual☐ Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☒ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**G** Website: ▶**J** Organization type (check only one) ▶ ☒ 501(c) (**3**) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **3121252****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 18 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	154802	
	b Indirect public support	1b	338291	
	c Government contributions (grants)	1c	282612	
	d Total (add lines 1a through 1c) (cash \$ 773556 noncash \$ 2149)	1d	775705	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	2295120	
	3 Membership dues and assessments	3	0	
	4 Interest on savings and temporary cash investments	4	34017	
	5 Dividends and interest from securities	5	0	
	6a Gross rents	6a	0	
	b Less: rental expenses	6b	0	
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c	0	
7 Other investment income (describe 0)	7	0		
Revenue	8a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
	b Less: cost or other basis and sales expenses	8a	8b	
	c Gain or (loss) (attach schedule)	8c		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	0	
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	a Gross revenue (not including \$ 0 of contributions reported on line 1a)	9a	16410	
	b Less: direct expenses other than fundraising expenses	9b	680	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	15730	
Revenue	10a Gross sales of inventory, less returns and allowances	10a	0	
	b Less: cost of goods sold	10b	0	
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	0	
Revenue	11 Other revenue (from Part VII, line 103)	11	0	
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	3120572	
Expenses	13 Program services (from line 44, column (B))	13	2800862	
	14 Management and general (from line 44, column (C))	14	203048	
	15 Fundraising (from line 44, column (D))	15	48070	
	16 Payments to affiliates (attach schedule)	16	0	
	17 Total expenses (add lines 13 and 14, column (A))	17	3051980	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	68592	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	1803684	
	20 Other changes in net assets or fund balances (attach explanation)	20	0	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	1872276	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	90905	0	90905
26	Other salaries and wages	26	1827193	1731341	57428
27	Pension plan contributions	27	69375	60749	7260
28	Other employee benefits	28	156244	148262	4631
29	Payroll taxes	29	150660	136711	11290
30	Professional fundraising fees	30			
31	Accounting fees	31	20784	8729	11733
32	Legal fees	32			
33	Supplies	33	92720	91429	1094
34	Telephone	34	14962	12646	1791
35	Postage and shipping	35	1154	127	620
36	Occupancy	36	177493	175053	1974
37	Equipment rental and maintenance	37	31705	31511	194
38	Printing and publications	38	4866	4849	17
39	Travel	39	9513	8311	1059
40	Conferences, conventions, and meetings	40	6451	3625	2666
41	Interest	41	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	42	80812	75097	5715
43	Other expenses not covered above (itemize): a Food	43a	274706	274706	
b	Employee/Family Assistance	43b	10354	9840	464
c	Enrichment/Field Trips	43c	22795	22795	
d	Bad Debts/Bank Fees	43d	6758	2551	4207
e	Continuing Education	43e	2530	2530	
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	3051980	2800862	203048

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)What is the organization's primary exempt purpose? ☒ Child Care

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
 (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts; but optional for others.)

a	Our business purpose is to provide quality childcare at an affordable cost to low income families 340 Infant/Preschool Clients and 393 School age Clients	
	(Grants and allocations \$ _____)	2800862
b		
	(Grants and allocations \$ _____)	
c		
	(Grants and allocations \$ _____)	
d		
	(Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	2800862

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	18458	45	15743	
	46 Savings and temporary cash investments	139907	46	190636	
	47a Accounts receivable	195415			
	b Less: allowance for doubtful accounts	1839	140888	47c	193576
	48a Pledges receivable				
	b Less: allowance for doubtful accounts			48c	
	49 Grants receivable		49		
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a Other notes and loans receivable (attach schedule)				
	b Less: allowance for doubtful accounts			51c	
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges	23010	53	22546	
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV	538867	54	566276	
	55a Investments—land, buildings, and equipment: basis				
	b Less: accumulated depreciation (attach schedule)			55c	
56 Investments—other (attach schedule)		56			
57a Land, buildings, and equipment: basis	1827867				
b Less: accumulated depreciation (attach schedule)	758087	1108037	57c	1069783	
58 Other assets (describe <input type="checkbox"/>)		58			
59 Total assets (add lines 45 through 58) (must equal line 74)	1969167	59	2058560		
Liabilities	60 Accounts payable and accrued expenses	165483	60	186285	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule)		64b		
	65 Other liabilities (describe <input type="checkbox"/>)		65		
66 Total liabilities (add lines 60 through 65)	165483	66	186285		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	1776920	67	1820115	
	68 Temporarily restricted	26764	68	52160	
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	1803684	73	1872275	
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1969167	74	2058560	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A **Reconciliation of Revenue per Audited
Financial Statements with Revenue per
Return (See page 27 of the instructions.)**


a	Total revenue, gains, and other support per audited financial statements ▶	a	3120572
b	Amounts included on line a but not on line 12, Form 990:	a	
(1)	Net unrealized gains on investments \$ _____		
(2)	Donated services and use of facilities \$ _____		
(3)	Recoveries of prior year grants \$ _____		
(4)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) through (4) ▶	b	0
c	Line a minus line b ▶	c	3120572
d	Amounts included on line 12, Form 990 but not on line a:	d	
(1)	Investment expenses not included on line 6b, Form 990. . . \$ _____		
(2)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	3120572

Part IV-B	Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
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<p>a Total expenses and losses per audited financial statements . . . ▶</p>	<p>a 3051980</p>
<p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990. \$ _____</p> <p>(3) Losses reported on line 20, Form 990. \$ _____</p> <p>(4) Other (specify): _____ _____ \$ _____</p>	<p>b 0</p>
<p>Add amounts on lines (1) through (4) ▶</p>	<p>c 3051980</p>
<p>c Line a minus line b ▶</p>	
<p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify): _____ _____ \$ _____</p>	<p>d 0</p>
<p>Add amounts on lines (1) and (2) ▶</p>	
<p>e Total expenses per line 17, Form 990 (line c plus line d) ▶</p>	<p>e 3051980</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

[illegible]

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  ☐ Yes ☒ No
If "Yes," attach schedule—see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		✓
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		✓
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		✓
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		✓
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? . . .		✓
b If "Yes," enter the name of the organization ► and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a Enter direct and indirect political expenditures. See line 81 instructions 81a		
b Did the organization file Form 1120-POL for this year?		✓
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		✓
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b		
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . .	✓	
84a Did the organization solicit any contributions or gifts that were not tax deductible?		✓
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c Dues, assessments, and similar amounts from members. 85c		
d Section 162(e) lobbying and political expenditures. 85d		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. 85e		
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12. 86a		
b Gross receipts, included on line 12, for public use of club facilities. 86b		
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders. 87a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX.		✓
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ► ; section 4912 ► ; section 4955 ►		
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction.		✓
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		0
d Enter: Amount of tax on line 89c, above, reimbursed by the organization.		0
90a List the states with which a copy of this return is filed ► Tennessee		
b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b		100
91 The books are in care of ► Melba Marcrum Telephone no. ► (615) 255-2549 Located at ► 400 Meridian Street, Nashville, TN ZIP + 4 ► 37207-5922		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 —Check here. and enter the amount of tax-exempt interest received or accrued during the tax year.		92

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

		Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93	Program service revenue:					
a	Child care fees					639222
b						
c						
d						
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					1655898
94	Membership dues and assessments					
95	Interest on savings and temporary cash investments			14	15692	
96	Dividends and interest from securities			14	18325	
97	Net rental income or (loss) from real estate:					
a	debt-financed property					
b	not debt-financed property					
98	Net rental income or (loss) from personal property					
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory					
101	Net income or (loss) from special events			1	15730	
102	Gross profit or (loss) from sales of inventory					
103	Other revenue: a					
b						
c						
d						
e						
104	Subtotal (add columns (B), (D), and (E))				49747	2295120
105	Total (add line 104, columns (B), (D), and (E))					2344867

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	Fees collected from clients for childcare-our exempt purpose
93G	Fees collected from TN Dept. of Human Services, HeadStart(MDHA) and Metro Social Services (Nashville Metro Gov) to pay the clients child care- our exempt purpose

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

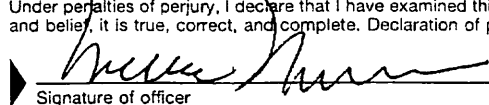
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	 Signature of officer		9-15-05 Date	
Paid Preparer's Use Only	Melba Marcum, Executive Director Type or print name and title.			
	Preparer's signature Firm's name (or yours if self-employed), address, and ZIP + 4	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
		EIN		
		Phone no.		



McNeilly Center for Children

400 Meridian Street

Nashville, TN 37207

(615) 255-2549

fax (615) 244-8998

62-0479366

Form 990- 2004/2005 (July 1, 2004-June 30, 2005)

Part I - #1

a. Gifts	154802
b. United Way	338291
c. CACFP, Read-to-Succeed	<u>282612</u>
	775705

Part I - #9

	Revenue	Expenses	Net
Support-A-Child Mailing	14910	-148	14762
Friends of McNeilly	15000	-32	1468
Once-Upon-A-Time Event	0	-500	<u>-500</u>
			15730

Part IV - #54- Endowment

AmSouth Money Market	7529.36
AmSouth International Equity #650	34025.00
Government Income #048	63819.37
Royce Fund #266	32180.42
AmSouth Capital Fund	90878.88
AmSouth Mutual Mid Cap	42266.66
AmSouth Mutual Fund Value	73082.87
AmSouth Enhanced Mkt, Fund #057	79230.82
AmSouth Limited Term Bond #045	87817.02
AmSouth High Quality Bond Fund #044	<u>55445.95</u>
	566276.35

McNeilly Center For Children
400 Meridian Street
Nashville, TN 37207

ID#62-0479366
FORM 990- Part II-#43 & Part V-#57
July 1, 2004-June 30, 2005

Description	Year	Cost	Life	Prior	Current	Discard	Accrued
			Method	Depreciation	Depreciation	Adj.	6/30/2005
Land		65588.61					
Bldg B	1995	479339.83	40/SL	109848.76	11983.50		121,832.26
Bldg B-Improvements	Varied	44838.94	Var/SL	10218.98	4316.33		14535.31
Bldg. A	1968	273201.77	40/SL	191448.48	6762.39		198210.87
Bldg.A- Improvements	Varied	178938.11	Var/SL	90402.54	14104.37		104506.91
NCC Bldg	Varied	311297.54	40/SL	42137.74	7782.44		49920.18
NCC Bldg Improve	Varied	40473.45	Var/SL	13978	2767.86		16745.86
Playground Reno	2000	197751.95	15/SL	54223.53	13151		67374.53
NCC Equipment	Varied	10970.12	Var/SL	8028.91	909.27		8938.18
NCC Furniture/Fixtures	Varied	18778.00	Var/SL	12789.82	890.56		13680.38
Educational Equip	Varied	27364.07	Var/SL	21759.15	2152.1		23911.25
Educational Equip-SA	Varied	6516.00	Var/SL	3331.5	1843.65		5175.15
Educational Equip-Infant		4683.59	Var/SL	0	52.81		52.81
Office Equipment	Varied	64715.69	Var/SL	49143.29	4890.82		54034.11
Kitchen/Laundry Equip	Varied	39704.68	Var/SL	22947.28	2782.83		25730.11
Van/Bus	Varied	42120	Var/SL	55249.00	6669	-19798	42120
Playground Equip	Varied	21584.78	Var/SL	10062.76	1253.35		11316.11
		<u>1827867.13</u>		<u>695569.74</u>	<u>82312.28</u>	<u>-19798.00</u>	<u>758084.02</u>

+ disposed 1500⁰⁰
Assets