

***PROJECT FOR NEIGHBORHOOD
AFTERCARE, INC.
(A Nonprofit Organization)***

Financial Statements

With Independent Accountants' Review Report Thereon
For The Years Ended June 30, 2015 and 2014

H A Beasley & Company, PC
Certified Public Accountants
Murfreesboro, Tennessee

PROJECT FOR NEIGHBORHOOD AFTERCARE, INC.

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H A Beasley & Company, PC

Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

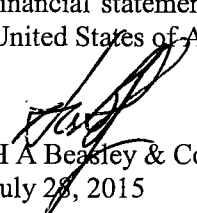
To the Board of Directors of
Project for Neighborhood Aftercare, Inc.

We have reviewed the accompanying statement of financial position of Project for Neighborhood Aftercare, Inc. (a nonprofit organization) as of June 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization 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 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



H A Beasley & Company, PC
July 28, 2015

A Positive Difference Through Professional Accounting Service

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Project for Neighborhood Aftercare, Inc.
Statements of Financial Position
As of June 30, 2015 and 2014

	ASSETS	
	2015	2014
CURRENT ASSETS		
Cash and equivalents	\$ 152,986	\$ 100,479
Grants receivable	27,015	18,493
Accounts receivable	-	2,854
Prepaid expenses	907	1,017
Total current assets	180,908	122,843
PROPERTY AND EQUIPMENT		
Office furniture and equipment	-	-
Computer equipment	30,771	30,771
	30,771	30,771
Less: accumulated depreciation	(30,324)	(30,052)
Total property and equipment	447	719
 TOTAL ASSETS	 \$ 181,355	 \$ 123,562
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 5,763	\$ 961
Accrued liabilities	7,414	5,048
Deferred revenue	2,684	2,900
Total current liabilities	15,861	8,909
NET ASSETS		
Unrestricted	165,494	114,653
TOTAL LIABILITIES AND NET ASSETS	\$ 181,355	\$ 123,562

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

Project for Neighborhood Aftercare, Inc.
Statements of Activities
For the Years Ended June 30, 2015 and 2014

	2015	2014
	<u>Unrestricted</u>	<u>Unrestricted</u>
REVENUE AND PUBLIC SUPPORT		
Grant income	\$ 204,384	\$ 221,770
Contributions	23,179	24,007
Program fees	277,454	236,407
Miscellaneous income	441	1,382
Total revenue and public support	<u>505,458</u>	<u>483,566</u>
EXPENSES		
Program services	368,663	371,448
Management and general	67,982	69,867
Fundraising	17,972	20,384
Total expenses	<u>454,617</u>	<u>461,699</u>
CHANGE IN NET ASSETS	50,841	21,867
Net assets at beginning of year	114,653	92,786
NET ASSETS AT END OF YEAR	<u>\$ 165,494</u>	<u>\$ 114,653</u>

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

Project for Neighborhood Aftercare, Inc.
Statements of Functional Expenses
For the Years Ended June 30, 2015 and 2014

	2015				2014			
	Program Services	Management & General	Fund- raising	Total Expenses	Program Services	Management & General	Fund- raising	Total Expenses
Payroll	\$ 243,345	\$ 25,308	\$ 3,331	\$ 271,984	\$ 243,619	\$ 25,923	\$ 4,869	\$ 274,411
Payroll taxes	18,819	1,681	255	20,755	18,150	2,316	435	20,901
Retirement plan	1,612	858	130	2,600	1,355	946	256	2,557
Health insurance	174	92	14	280	2,797	1,952	528	5,277
Total compensation	263,950	27,939	3,730	295,619	265,921	31,137	6,088	303,146
Bank charges	3,799	906	-	4,705	3,903	984	-	4,887
Depreciation	136	136	-	272	663	224	62	949
Dues and subscriptions	-	480	-	480	218	400	-	618
Food - Program	27,006	-	-	27,006	27,578	-	-	27,578
Insurance	6,854	610	65	7,529	6,971	853	135	7,959
Licenses and permits	400	63	200	663	400	340	-	740
Miscellaneous	-	(268)	-	(268)	-	21	-	21
Office supplies	687	830	267	1,784	1,469	1,066	444	2,979
Printing and reproduction	193	194	-	387	229	229	-	458
Professional fees	7,847	32,988	13,079	53,914	7,040	29,159	11,733	47,932
Program supplies	11,799	-	-	11,799	9,849	-	-	9,849
Facility fees	26,648	-	-	26,648	22,101	-	-	22,101
Special events	1,067	-	-	1,067	581	-	-	581
Staff training	504	-	-	504	251	-	-	251
Storage	-	1,434	-	1,434	-	1,319	-	1,319
Telephone	5,184	1,291	387	6,862	6,071	1,649	394	8,114
Meals and entertainment	280	442	-	722	9	573	-	582
Travel and entertainment	2,192	937	244	3,373	2,420	879	122	3,421
Contract Labor	10,117	-	-	10,117	15,740	900	1,350	17,990
Loss on disposal of assets	-	-	-	-	34	134	56	224
Total Expenses	\$ 368,663	\$ 67,982	\$ 17,972	\$ 454,617	\$ 371,448	\$ 69,867	\$ 20,384	\$ 461,699

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

Project for Neighborhood Aftercare, Inc.
Statements of Cash Flows
For the Years Ended June 30, 2015 and 2014

CASH FLOWS FROM OPERATING ACTIVITIES	2015	2014
Change in net assets	\$ 50,841	\$ 21,867
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	272	949
Loss on disposal of equipment	-	224
Decrease (increase) in operating assets		
Grants receivable	(8,522)	18,837
Accounts receivable	2,854	4,174
Prepaid expenses	110	118
Increase (decrease) in operating liabilities		
Accounts payable	4,802	(5,342)
Accrued liabilities	2,366	3,070
Deferred revenue	(216)	2,750
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 52,507	 46,647
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of equipment	-	899
 NET INCREASE IN CASH AND EQUIVALENTS	 52,507	 47,546
 CASH AND EQUIVALENTS AT BEGINNING OF YEAR	 100,479	 52,933
 CASH AND EQUIVALENTS AT END OF YEAR	 \$ 152,986	 \$ 100,479

Supplemental schedule of noncash operating activities:

In-kind contributions of supplies for program services	\$ -	\$ -
In-kind contributions of food for program services	\$ 22,854	\$ 23,907

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

PROJECT FOR NEIGHBORHOOD AFTERCARE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 and 2014

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

Nature of operations

Project for Neighborhood Aftercare, Inc. (the "Organization") is a nonprofit after-school program in Metro schools and other community facilities located in Davidson County, Tennessee for children in kindergarten through eighth grade. The Organization's mission is to provide a meaningful and enriching after-school program for children living in Davidson County, providing expanded learning opportunities to students in need. The programs charge a weekly fee as well as a per-semester registration fee and are neighborhood-based and academically-enriched. The Organization strives to create an environment that will allow each child to grow socially and academically, while fostering a sense of belonging and increased self-esteem.

Basis of accounting

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

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 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 three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Unrestricted net assets

Unrestricted net assets include unrestricted resources which represent the portion of funds that are available for the operating objectives of the Organization.

Temporarily restricted net assets

Temporarily restricted net assets consist of donor restricted contributions and grants. Amounts restricted by donors for a specific purpose are deemed to be earned and reported as temporarily restricted revenue, when received, and such unexpended amounts are reported as temporarily restricted net assets at year-end. When the donor restriction expires, that is, when a stipulated time 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". The Organization has no temporarily restricted net assets as of June 30, 2015 and 2014.

Permanently restricted net assets

Permanently restricted net assets consist of donor restricted contributions, which are 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. The Organization had no permanently restricted net assets as of June 30, 2015 and 2014.

PROJECT FOR NEIGHBORHOOD AFTERCARE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 and 2014

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

Contributions

Contributions are recognized as revenues when received or unconditionally pledged. All contributions are available for unrestricted use unless specially restricted by the donor. Contributions that are restricted by the donor are reported as an increase in unrestricted net assets 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 temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Cash and equivalents

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

Accounts and grants receivable

Accounts and grants receivable consist of accounts and grants due in less than one year, recorded at their realizable value upon receipt. Accounts greater than 30 days old are considered past due accounts. The Organization does not charge interest or a finance charge on past due receivable balances. Uncollectible receivable balances are charged-off through the allowance for doubtful collectability when management determines the account or grant receivable will not be collected and all methods of collection have been exhausted. An allowance for doubtful collectability is provided based on management's evaluation of potential uncollectible accounts and grants receivable at year-end. As of June 30, 2015 and 2014, management has estimated the allowance for doubtful collectability to be \$-0-.

Property and equipment

The Organization capitalizes all property and equipment expenditures with a cost of \$1,500 or more and having estimated useful lives of more than one year. Property and equipment are recorded at cost or, for donated items, at fair value as of the date received. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance and repairs are charged to expense when incurred.

When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of activities for the respective period. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets ranging from 3-7 years.

Deferred revenue

The Organization at times receives funds prior to services performed or reimbursements before expenses are incurred. Such amounts are accounted for as deferred revenue and are recognized as revenue over the period the services are provided. Deferred revenue as of June 30, 2015 and 2014 totaled \$2,684 and \$2,900, respectively.

Functional expenses

Presentation of operating expenses includes production costs directly incurred for program activities and supporting expense activity classifications of management and general as well as fundraising.

PROJECT FOR NEIGHBORHOOD AFTERCARE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 and 2014

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

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 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 2011, 2012 and 2013. 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 June 30, 2015 and 2014.

NOTE B—DONATED FOOD & SUPPLIES

Metro Nashville Public Schools and Second Harvest Food Bank donated food to the Organization during the years ended June 30, 2015 and 2014.

Donated food is used in the ongoing operations of the Organization and is reflected as contributions in the statements of activities at its fair value at the date of receipt. The value of donated food totaled \$22,854 and \$23,907 for the years ended June 30, 2015 and 2014, respectively, and is included in the statements of functional expenses as part of “food – program”. No supplies were donated to the Organization during the years ended June 30, 2015 or 2014.

NOTE C—FUNCTIONAL EXPENSES

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

For the years ended June 30, 2015 and 2014 the Organization incurred expenses amounting to \$368,663 and \$371,448, respectively, related to program services \$67,982 and \$69,867, respectively, related to management and general, \$17,972 and \$20,384, respectively, to fundraising.

PROJECT FOR NEIGHBORHOOD AFTERCARE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 and 2014

NOTE D—RETIREMENT PLAN

The Organization adopted a retirement plan for the Executive Director on August 31, 1999. The Organization contributed \$2,600 and \$2,557, for the years ended June 30, 2015 and 2014, respectively.

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 June 30, 2015 and 2014 had no funds in excess of the FDIC limit.

NOTE F—SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 28, 2015 which is the date the financial statements were available to be issued. There have been no adjustments to the financial statements to include any subsequent transactions or events.