

TUCKER'S HOUSE
FINANCIAL STATEMENTS AND
ACCOUNTANT'S REVIEW REPORT
DECEMBER 31, 2014 AND 2013

TUCKER'S HOUSE
Financial Statements
DECEMBER 31, 2014 AND 2013

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
of Tucker's House

We have reviewed the accompanying statements of financial position of Tucker's House (a nonprofit organization) as of December 31, 2014 and 2013, 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 December 31, 2014 and 2013 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



January 28, 2015

**TUCKER'S HOUSE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013**

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets		
Cash	\$ 102,028	\$ 59,259
Grant receivable	5,000	-
Pledges receivable	30,500	8,500
Vendor refunds receivable	211	-
Equipment inventory	32,200	21,800
Total Current Assets	<u><u>\$ 169,939</u></u>	<u><u>\$ 89,559</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ -	\$ 2,300
Accrued liabilities	6,000	42
Total Current Liabilities	<u><u>6,000</u></u>	<u><u>2,342</u></u>

Net Assets		
Unrestricted	163,939	87,217
Total Liabilities and Net Assets	<u><u>\$ 169,939</u></u>	<u><u>\$ 89,559</u></u>

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**TUCKER'S HOUSE
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	2014	2013
	<u>Unrestricted</u>	<u>Unrestricted</u>
Public Support and Revenue		
Public Support:		
Contributions	\$ 140,668	\$ 88,905
In-kind contributions	71,779	94,243
Grant revenue	10,000	-
Special event revenue:		
Revenue	-	45,420
Less direct costs	-	(21,462)
Net revenue from special events	-	23,958
Total public support	<u>222,447</u>	<u>207,106</u>
Revenue:		
Program service fees	<u>2,862</u>	-
Total revenue	<u>2,862</u>	-
Total public support and revenue	<u>225,309</u>	<u>207,106</u>
Expenses		
Program services	115,988	128,239
Management and general	20,530	17,008
Fundraising	12,069	7,905
Total expenses	<u>148,587</u>	<u>153,152</u>
Increase in net assets	76,722	53,954
Net assets at beginning of year	87,217	33,263
Net assets at end of year	<u><u>\$ 163,939</u></u>	<u><u>\$ 87,217</u></u>

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**TUCKER'S HOUSE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Payroll	\$ 4,006	\$ 4,006	\$ 4,005	\$ 12,017
Payroll taxes	319	319	320	958
Total compensation	<u>4,325</u>	<u>4,325</u>	<u>4,325</u>	<u>12,975</u>
Program costs	99,383	-	-	99,383
Accounting	2,968	8,968	2,969	14,905
Insurance	-	3,113	-	3,113
Marketing	915	-	1,714	2,629
Dues & subscriptions	-	400	-	400
Office supplies & services	-	1,384	-	1,384
Telephone & fax	-	215	-	215
Postage & shipping	-	-	281	281
Banking & credit card fees	157	-	157	314
Meetings & travel	8,167	305	-	8,472
Website	73	-	73	146
Licenses & Permits	-	247	-	247
Consultants	-	1,393	2,550	3,943
Direct expenses of special events	-	-	-	-
Miscellaneous	-	180	-	180
Total expenses	<u>\$ 115,988</u>	<u>\$ 20,530</u>	<u>\$ 12,069</u>	<u>\$ 148,587</u>
Less: expenses netted with revenue on statement of activities;				
Direct expenses of special events	-	-	-	-
Total expenses by function	<u>\$ 115,988</u>	<u>\$ 20,530</u>	<u>\$ 12,069</u>	<u>\$ 148,587</u>
Current year's percentages	78.06%	13.82%	8.12%	100.00%

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**TUCKER'S HOUSE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Payroll	\$ 3,004	\$ 3,004	\$ 3,004	\$ 9,012
Payroll taxes	244	244	243	731
Total compensation	<u>3,248</u>	<u>3,248</u>	<u>3,247</u>	<u>9,743</u>
Program costs	118,587	-	-	118,587
Accounting	3,450	8,650	3,450	15,550
Insurance	-	3,000	341	3,341
Marketing	147	-	147	294
Dues & subscriptions	-	525	-	525
Office supplies & services	-	683	-	683
Postage & shipping	-	-	170	170
Banking & credit card fees	369	-	369	738
Meetings & travel	2,438	371	-	2,809
Licenses & Permits	-	192	-	192
Direct expenses of special events	-	-	21,462	21,462
Miscellaneous	-	339	181	520
Total expenses	<u>\$ 128,239</u>	<u>\$ 17,008</u>	<u>\$ 29,367</u>	<u>\$ 174,614</u>
Less: expenses netted with revenue on statement of activities;				
Direct expenses of special events	-	-	(21,462)	(21,462)
Total expenses by function	<u>\$ 128,239</u>	<u>\$ 17,008</u>	<u>\$ 7,905</u>	<u>\$ 153,152</u>
Current year's percentages	83.73%	11.11%	5.16%	100.00%

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**TUCKER'S HOUSE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

Cash Flows From Operating Activities:	<u>2014</u>	<u>2013</u>
Increase in net assets	\$ 76,722	\$ 53,954
Changes in operating assets and liabilities:		
Grant receivable	(5,000)	-
Pledge receivable	(22,000)	(1,000)
Vendor refunds receivable	(211)	-
Equipment inventory	(10,400)	(21,800)
Accounts payable	(2,300)	2,300
Accrued liabilities	5,958	(392)
Net cash provided by operating activities	<u>42,769</u>	<u>33,062</u>
Net increase in cash and cash equivalents	42,769	33,062
Cash at beginning of year	59,259	26,197
Cash at end of year	<u>\$ 102,028</u>	<u>\$ 59,259</u>

Supplemental schedule of noncash operating activities:

In-kind contributions of labor and materials for construction	\$ 52,474	\$ 62,093
In-kind contributions of equipment for homes	10,400	21,800
In-kind contributions of supplies & various costs for special event	-	7,995
In-kind contributions of accounting services	8,905	10,350
	<u>\$ 71,779</u>	<u>\$ 102,238</u>

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TUCKER'S HOUSE
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Tucker's House (the Organization), a Tennessee not-for-profit organization, partners with the families of children with disabilities by navigating the complex path from diagnosis to home, providing retrofitting resources so that their houses can become "home". The Organization started its operations in 2010 and its vision is that all families that have children with disabilities have access to the resources that can help meet their specific immediate, intermediate and long term needs that make their home a place that is not only accessible and safe, but where they can carry out their necessary daily therapy so every child can reach their full potential.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations.

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. Restrictions that are fulfilled in the same accounting period in which the contributions are received are reported in the statement of activities as unrestricted. When a restriction expires in a period after the contributions are received, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned and any related investments for general or specific purposes.

The amount for each of these classes of net assets is displayed in the statement of financial position and the amount of change in each class of net assets is displayed in the statement of activities. There were no temporarily or permanently restricted net assets as of December 31, 2014 or as of December 31, 2013.

TUCKER'S HOUSE
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all cash funds, cash bank accounts and highly liquid debt instruments, with an original maturity when purchased of three months or less, to be cash and cash equivalents. At December 31, 2014 and at December 31, 2013, the Organization had no cash equivalents.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Grants Receivable

The Organization considers grants to be fully collectible at year-end. Accordingly, no allowance for doubtful accounts has been recorded.

Pledges Receivable

Pledges receivable are recorded at their estimated fair value with pledges collectible over more than a year recognized at their expected discounted cash flow. Pledges receivable are considered to be either conditional or unconditional promises to give. A conditional contribution is one which depends on the occurrence of some specified uncertain future event to become binding on the donor. Conditional contributions are not recorded as revenue until the condition is met, at which time they become unconditional. Unconditional contributions are recorded as revenue at the time verifiable evidence of the pledge is received. At December 31, 2014 and at December 31, 2013, the Organization had no conditional promises to give. Pledges receivable recorded at December 31, 2014 and 2013 are unconditional promises to give and collectible in less than one year.

The Organization considers pledges receivable to be fully collectible at December 31, 2014 and 2013. Accordingly, no allowance for doubtful accounts has been recorded.

TUCKER'S HOUSE
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Equipment Inventory

Inventory is stated at the lower of cost or market using the first-in, first-out method for items purchased, and at the fair market value at the date of donation for items donated. Such inventory consists of equipment for use in retrofitted homes for use by children with disabilities.

Expense Allocation

The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among program and supporting services based on actual or estimated time employees spend on each function.

Use of 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.

Income Taxes

The Organization is a nonprofit organization exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code, and the Organization is classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying financial statements.

NOTE 2 – GRANTS RECEIVABLE

Grants receivable consist of the following at December 31:

	<u>2014</u>	<u>2013</u>
United Way of Williamson County	\$ 5,000	\$ -

TUCKER'S HOUSE
Notes to Financial Statements
December 31, 2014 and 2013

NOTE 3 – DONATED SERVICES, EQUIPMENT, MATERIALS AND SUPPLIES

A board member donated accounting services to the Organization in the amount of \$8,905 and \$10,350 for the years ending December 31, 2014 and December 31, 2013, respectively.

Construction firms and contractors donated labor and materials for retrofitting homes in the amount of \$52,474 and \$62,093 for years ending December 31, 2014 and December 31, 2013, respectively. Also, supplies and other costs incurred for the Organization's special event, Playhouse Tour of Homes, in the amount of \$7,995 were donated for year ending December 31, 2013.

Various individual and corporate donors contributed equipment to the Organization that can be installed and/or utilized by recipients of the services provided by Tucker's House.

These donated services, equipment, labor, material and other costs are reflected as contributions in the statements of activities at fair value at the date of receipt. The value of donated accounting services and labor and materials for the years ended December 31, 2014 and December 31, 2013 are included in the statement of activities as accounting expense and program costs, respectively. The value of donated supplies and other costs for the special event for the year ended December 31, 2013 is included in the statement of activities as special event expenses. Equipment that isn't utilized upon receipt is recorded as equipment inventory at its estimated fair value. When utilized, the value is transferred to program costs. Donated equipment valued at \$32,200 and \$21,800 were in equipment inventory at December 31, 2014 and 2013, respectively. Donated equipment of \$13,500 and \$0 was included in program costs for the years ending December 31, 2014 and 2013, respectively.

NOTE 4 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through January 28, 2015, the issuance of the Organization's financial statements.