

NASHVILLEHEALTH

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2018

NASHVILLEHEALTH

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BELLENFANT

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Professional Accounting & Consulting Services

INDEPENDENT AUDITOR'S REPORT

Board of Directors
NashvilleHealth
Nashville, Tennessee

We have audited the accompanying financial statements of NashvilleHealth (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NashvilleHealth as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Bellenfant, PLLC

August 3, 2018

NASHVILLEHEALTH

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018

ASSETS

CURRENT ASSETS

Cash	\$ 520,139
Accounts Receivable	5,000
Prepaid Expenses	<u>2,715</u>
Total Current Assets	<u>527,854</u>

FIXED ASSETS

Furniture, Fixtures, and Equipment	1,748
Less: Accumulated Depreciation	<u>(250)</u>
Total Fixed Assets	<u>1,498</u>

Total Assets	<u><u>529,352</u></u>
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LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	8,824
Deferred Revenue	<u>280,464</u>
Total Current Liabilities	<u>289,288</u>
Total Liabilities	<u>289,288</u>

NET ASSETS

Unrestricted	<u>240,064</u>
Total Net Assets	<u>240,064</u>
Total Liabilities and Net Assets	<u><u>\$ 529,352</u></u>

The accompanying notes are an integral part of these statements.

NASHVILLEHEALTH
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

REVENUE

Public Support:

In-Kind Donations	\$ 68,511
Contributions	323,541
Foundation Grants	179,537
Program Grants	<u>50,000</u>

Total Public Support	<u>621,589</u>
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Other Revenue:

Investment Gain (Loss)	<u>2,231</u>
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Total Revenue	<u>623,820</u>
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EXPENSES

Program Services	564,325
Management and General	33,866

Total Expenses	<u>598,191</u>
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Change in Net Assets	25,629
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Unrestricted Net Assets, beginning of the year	<u>214,435</u>
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Unrestricted Net Assets, end of the year	<u><u>\$ 240,064</u></u>
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The accompanying notes are an integral part of these statements.

NASHVILLEHEALTH

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

	Program Services	Management and General	Total
Salaries and Wages	\$ 217,518	\$ -	\$ 217,518
Payroll Taxes	16,717	-	16,717
In-Kind	52,500	16,011	68,511
Communications and Marketing	115,096	-	115,096
Meetings and Events	19,490	-	19,490
Child Health Awareness	52,082	-	52,082
Travel, Meals, and Entertainment	10,354	-	10,354
Insurance	-	1,583	1,583
Licenses and Taxes	-	575	575
Depreciation	-	250	250
Office Expenses	-	3,529	3,529
Information Technology	-	1,889	1,889
Legal Fees	-	450	450
Accounting	-	6,250	6,250
Consultant Fees	77,315	-	77,315
Legislative Services	2,500	-	2,500
Investment Fees	-	65	65
Miscellaneous	753	3,264	4,017
	<hr/>	<hr/>	<hr/>
Total Expenses	\$ 564,325	\$ 33,866	\$ 598,191
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The accompanying notes are an integral part of these statements.

NASHVILLEHEALTH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 25,629
Depreciation	250
Adjustments to reconcile change in net assets to net cash provided by operations	
(Increase) Decrease in:	
Accounts Receivable	(5,000)
Prepaid Expenses	(2,715)
Increase (Decrease) in:	
Accounts Payable	(584)
Deferred Revenue	280,464
Net Cash Provided (Used) by Operating Activities	<u>298,044</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Investments	<u>5,264</u>
Net Cash Provided (Used) by Financing Activities	<u>5,264</u>
Net Increase (Decrease) in Cash	303,308
Cash, beginning of the year	<u>216,831</u>
Cash, end of the year	<u><u>\$ 520,139</u></u>

The accompanying notes are an integral part of these statements.

NASHVILLEHEALTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

NashvilleHealth creates a culture of health and wellbeing by serving as a convener to open dialogue, align resources and build smart strategic partnerships to create a plan for health unique to Nashville's needs.

Program Services:

NashvilleHealth aims to create a comprehensive plan for health unique to Nashville's needs by leveraging the resources of our city, region and national leaders. By identifying specific and measurable community health indicators where improvement would be most impactful, NashvilleHealth plans to develop a comprehensive and practical roadmap for clearly defined action to improve health.

Financial Statement Presentation

The financial statements of the Organization are presented on the accrual basis of accounting. Revenue is generally recognized when earned. Expenses are generally recognized when incurred.

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Presentation of Financial Statements of Not-for-Profit Organizations. Under the FASB Accounting Standards Codification, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, 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 had no temporarily restricted net assets as of June 30, 2018.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that may be maintained permanently by the Organization. Generally donors of these assets permit the Organization to use all or part of the income earned for general or specific purposes. The Organization had no permanently restricted net assets as of June 30, 2018.

NASHVILLEHEALTH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

The Organization accounts for contributions in accordance with the requirements of the FASB Accounting Standards Codification Revenue Recognition Topic. In accordance with the FASB Accounting Standards Codification, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

Cash and Cash Equivalents

For purposes of the statement 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. The cash accounts are held by financial institutions, and the balance on the Bank of America account currently exceeds the insurance coverage of the Federal Deposit Insurance Corporation (FDIC).

Accounts Receivable and Allowance for Doubtful Accounts

It is the policy of the Organization to record accounts receivable when the amount to be received becomes known. Management considers all receivables as of June 30, 2018 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Prepaid Expenses

Prepaid expenses consists of insurance payments made prior and applicable to the subsequent fiscal year.

Investments

The Organization accounts for investments in accordance with FASB Accounting Standards Codification topic relating to Accounting for Certain Investments Held by Not-for-Profit Organizations. Under FASB Accounting Standards Codification, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair market values in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

Investment income and unrealized gains and losses are reported as changes in unrestricted net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are reported.

NASHVILLEHEALTH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Depreciation of furniture and fixtures has been provided since June 30, 2017, over the estimated useful lives of the respective assets primarily on a straight-line basis.

Income Taxes

The Organization has qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation.

The Organization has evaluated its tax positions in accordance with the Codification Standard relating to Accounting for Uncertainty in Income Taxes. The Organization believes that it has taken no uncertain tax positions.

The Organization files a U.S. Federal Form 990-Return of Organization Exempt from Income Tax.

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 estimates.

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 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. As of June 30, 2018, all contributions are considered unrestricted.

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 programs and supporting services based on actual or estimated time employees spent on each function.

NASHVILLEHEALTH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

2. CASH

Cash consists of the following as of June 30, 2018:

Bank of America Checking	\$ 502,669
Merrill Lynch	<u>17,470</u>
Total Cash	<u><u>\$ 520,139</u></u>

3. DEFERRED REVENUE

Deferred Revenue as of June 30, 2018 consists of the following funds designated for use in future years:

2019	\$ 230,463
2020	<u>50,000</u>
Total Deferred Revenue	<u><u>\$ 280,463</u></u>

4. IN-KIND DONATED SERVICES AND FACILITIES

Support and expenses for contributed services that require specialized skills, and would be purchased if not provided by the donor, are recognized at the fair value of the services received. For the year ended June 30, 2018, the Organization received in-kind donated services and facilities as follows:

Marketing	\$ 52,500
Rent	15,930
Gifts	<u>81</u>
Total In-Kind Donations	<u><u>\$ 16,011</u></u>

5. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 3, 2018 which is the date the financial statements were available to be issued.