

TRANSFORMATIONS BY NASHVILLE
ANGELS

FINANCIAL STATEMENTS - CASH
BASIS AND INDEPENDENT
ACCOUNTANT'S REVIEW REPORT

DECEMBER 31, 2021

**TRANSFORMATIONS BY NASHVILLE
ANGELS
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Independent Accountant's Review Report

The Board of Directors
Transformations by Nashville Angels
Nashville, Tennessee

We have reviewed the accompanying financial statements of Transformations by Nashville Angels (the Organization), which comprise the statement of cash as of December 31, 2021 and the related statement of cash receipts and disbursements and functional cash disbursements for the year then ended, and the related notes to financial statements. 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's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible for 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Puryear & Noonan, CPAs
Nashville, Tennessee
December 9, 2022

Transformations by Nashville Angels
Statement of Cash
December 31, 2021

Assets

Cash - Without donor restrictions	\$ <u>19,165</u>
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See independent accountant's review report and accompanying notes to financial statements.

Transformations by Nashville Angels
Statement of Cash Receipts and Disbursements
For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Cash Receipts			
Contributions	\$ 35,058	\$ 12,500	\$ 47,558
Grants	15,500	-	15,500
Special events	9,594	-	9,594
Net assets released from restriction	<u>12,500</u>	<u>(12,500)</u>	<u>-</u>
Total Cash Receipts	<u>72,652</u>	<u>-</u>	<u>72,652</u>
Cash Disbursements			
Program services	50,198	-	50,198
Administrative	4,084	-	4,084
Fundraising	<u>5,595</u>	<u>-</u>	<u>5,595</u>
Total Cash Disbursements	<u>59,877</u>	<u>-</u>	<u>59,877</u>
Change in Cash	12,775	-	12,775
Cash - Beginning of Year	<u>6,390</u>	<u>-</u>	<u>6,390</u>
Cash - End of Year	<u><u>\$ 19,165</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 19,165</u></u>

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

Transformations by Nashville Angels
Statement of Functional Cash Disbursements
For the Year Ended December 31, 2021

	<u>Program Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Contract Labor	\$ 35,626	\$ 1,982	\$ 1,880	\$ 39,488
Printing and publication	832	208	-	1,040
Dues and subscriptions	3,520	880	-	4,400
Supplies and postage	7,186	255	3,715	11,156
Bank fees and credit card charges	112	28	-	140
Insurance	<u>2,922</u>	<u>731</u>	<u>-</u>	<u>3,653</u>
Total Functional Cash Disbursements	\$ <u>50,198</u>	\$ <u>4,084</u>	\$ <u>5,595</u>	\$ <u>59,877</u>

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

TRANSFORMATIONS BY NASHVILLE ANGELS
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of significant accounting policies

Organization and purpose

Transformations by Nashville Angels (the Organization), a subordinate of Transformations by Austin Angels, is non-profit organization whose mission is "to walk alongside children, youth, and families in the foster care community by offering consistent support through intentional giving, relationship building, and mentorship." The Organization serves the Middle Tennessee community through two major programs classified as follows:

Love Box - provides a sense of community and support for fostering families through intentional giving, relationship building, and mentorship.

Dare to Dream - serves youth from ages eleven to twenty-two by providing one-on-one mentorship to youth in care. Mentors are advocates, guides, role models, value friends, and available resources who guide youth in their accomplishment of developmental milestones through intentional giving, relationship building and mentorship.

The Organizations website address is www.nashvilleangels.org.

Basis of accounting

The accompanying financial statements have been prepared on the cash basis of accounting. This method differs from accounting principles generally accepted in the United States of America since revenues and their related assets are recorded as cash receipts when received rather than when earned and expenses and their related liabilities are recorded when paid rather than when incurred.

Financial statement presentation

The accompanying financial statements have been prepared on the cash basis of accounting which requires the Organization to report information regarding its cash and cash activities according to the following net cash classifications:

Cash Without Donor Restrictions – Cash that is not subject to donor-imposed restrictions and may be expended for any purpose in performing primary objectives of the Organization. Net cash may be used at the discretion of the Organization's management and the Board of Directors.

Cash With Donor Restrictions – Cash is subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time.

Donor restricted cash is reported as increases in cash with donor restrictions. When a restriction expires, cash is reclassified from cash with donor restrictions to cash without donor restrictions in the Statement of Cash Receipts and Disbursements.

Functional allocation of disbursements

Disbursements are classified functionally as a measure of service efforts and accomplishments. Direct expenses, incurred for a single function, are allocated entirely to that function. Joint expenses applicable to more than one function are allocated on the basis of objectively summarized information or management estimates. The following program and supporting services are included in the Statement of Cash Receipts and Disbursements.

Program Services - include activities carried out to fulfill the Organization's mission.

Administrative - relates to the overall direction of the Organization. These disbursements are not identifiable with a particular program, event, or fundraising but are indispensable to the conduct of those activities and are essential to the Organization.

Fundraising - includes cost of activities directed toward appeals for financial support.

Income taxes

The Organization is recognized as a tax-exempt organization under 501(c)(3) of the Internal Revenue Code, and therefore, no provision for federal or state income tax is applicable.

For all tax positions taken by the Organization, management believes it is clear that the likelihood is greater than 50% that the full amount of the tax positions taken will be ultimately realized. Therefore management believes that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for the most three recent years filed, or expected to be taken in the Organizations tax return. The Organization identifies its major tax jurisdiction's as the U.S. Federal and the State of Tennessee. However, the Organization is not currently under audit nor has the Organization been contacted by either of these jurisdictions. As of December 31, 2021, the Organization has not incurred interest and penalties.

Events occurring after reporting date

The Organization has evaluated events and transactions that occurred between December 31, 2021 and December 9, 2022, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

Note 2 - Concentrations

The Organization received 28% of total cash receipts from one donor during the year which is considered a concentration.