



KESSLER ORLEAN SILVER
CERTIFIED PUBLIC ACCOUNTANTS

TPA Network, Incorporated

d/b/a TPAN

Financial Statements

September 30, 2015 and 2014

TPA Network, Incorporated
d/b/a TPAN
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KESSLER ORLEAN SILVER
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Board of Directors
TPA Network, Incorporated
d/b/a TPAN
Chicago, IL

We have audited the accompanying financial statements of TPA Network, Incorporated d/b/a TPAN (a not-for-profit corporation), which comprise the statements of financial position as of September 30, 2015 and the related statements of activities, functional expenses 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 2015 financial statements referred to above present fairly, in all material respects, the financial position of TPA Network, Incorporated d/b/a TPAN as of September 30, 2015, 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.

Prior Period Financial Statements

The financial statements as of September 30, 2014 were audited by Ruzicka & Associates, Ltd., who merged with Kessler, Orlean, Silver & Company, P.C., as of December 1, 2014, and whose report dated March 23, 2015, expressed an unmodified opinion on these statements.

Respectfully submitted,

Kessler, Orlean, Silver & Company, P.C.

Kessler, Orlean, Silver & Company, P.C.
Certified Public Accountants

Deerfield, Illinois
March 1, 2016

TPA Network, Incorporated

d/b/a TPAN

Statements of Financial Position

September 30, 2015 and 2014

Assets		
	2015	2014
Current Assets		
Cash	\$ 317,417	\$ 254,903
Contributions Receivable	252,695	223,842
Advertisement Receivable	301,634	156,327
Prepaid expenses	50,102	43,491
Total Current Assets	921,848	678,563
Property and Equipment		
Leasehold Improvements	161,217	161,217
Furniture, Equipment and Software	155,309	223,866
Vehicle	16,754	16,754
Total Property and Equipment	333,280	401,837
Less Accumulated Depreciation	(127,340)	(137,171)
Net Property and Equipment	205,940	264,666
Other Assets		
Security Deposit	20,329	20,338
Total Assets	\$ 1,148,117	\$ 963,567

See accompanying notes to the financial statements.

TPA Network, Incorporated
d/b/a TPAN
Statements of Financial Position
September 30, 2015 and 2014

Liabilities and Net Assets		
	2015	2014
Current Liabilities		
Accounts Payable	\$ 71,064	\$ 251,224
Accrued Payroll Expenses	26,734	14,935
Deferred Revenue	27,500	-
Accrued Unrelated Business Income Tax	86,276	33,201
Current Portion of Long Term Debt	20,517	17,574
Refundable Advance From Government Funding	115,808	136,721
Total Current Liabilities	347,899	453,655
Long-Term Liabilities		
Long Term Debt, Net of Current Portion	15,055	37,224
Total Liabilities	362,954	490,879
Net Assets		
Unrestricted	772,801	422,688
Temporarily Restricted	12,362	50,000
Total Net Assets	785,163	472,688
Total Liabilities and Net Assets	\$ 1,148,117	\$ 963,567

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Statement of Activities and Changes in Net Assets

For the Years Ended September 30, 2015 and 2014

	2015		2014			
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue						
Governmental Contributions	\$ 1,236,854	\$ -	\$ 1,236,854	\$ 1,157,415	\$ -	\$ 1,157,415
Contributions	529,736	12,362	542,098	399,473	50,000	449,473
Special Events Revenue, Net of						
Direct Expenses	551,320	-	551,320	833,775	-	833,775
Advertisement Income	964,452	-	964,452	952,525	-	952,525
Interest Income	152	-	152	100	-	100
Miscellaneous	2,485	-	2,485	430	-	430
Assets Released From Restrictions	50,000	(50,000)	-	123,164	(123,164)	-
Total Support and Revenue and Assets Released from Restrictions	3,334,999	(37,638)	3,297,361	3,466,882	(73,164)	3,393,718
Operating Expenses						
Program Services	2,134,597	-	2,134,597	2,097,055	-	2,097,055
Management and General	429,619	-	429,619	604,403	-	604,403
Fundraising	420,670	-	420,670	394,043	-	394,043
Total Expenses	2,984,886	-	2,984,886	3,095,501	-	3,095,501
Change in Net Assets	350,113	(37,638)	312,475	371,381	(73,164)	298,217
Net Assets at Beginning of Year	422,688	50,000	472,688	51,307	123,164	174,471
Net Assets at End of Year	\$ 772,801	\$ 12,362	\$ 785,163	\$ 422,688	\$ 50,000	\$ 472,688

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Statement of Functional Expenses

For the Year Ended September 30, 2015

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 920,543	\$ 209,138	\$ 134,785	\$ 1,264,466
Employee Benefits	195,570	48,132	28,794	272,496
Professional Fees	152,676	100,540	24,742	277,958
Subcontractors	50,719	-	-	50,719
Specific Assistance to Individuals	12,716	-	-	12,716
Retreats and Events	35,686	-	-	35,686
Occupancy	140,609	29,256	21,224	191,089
Insurance	2,637	12,559	432	15,628
Telephone	9,785	2,481	4,151	16,417
Rental and Maintenance of Equipment	7,022	3,100	1,080	11,202
Computer and Software	52,614	7,606	22,641	82,861
Supplies	66,934	375	1,675	68,984
Advertising and Public Relations	1,060	250	1,200	2,510
Printing and Publications	227,269	619	3,985	231,873
Postage and Shipping	77,715	324	1,565	79,604
Meetings and Travel	20,113	154	115	20,382
Staff Development	3,784	712	2,091	6,587
Dues and Subscriptions	-	500	600	1,100
Fees	251	5,570	36,027	41,848
Indirect Special Events Expenses	-	-	120,209	120,209
Miscellaneous	-	1,065	-	1,065
Interest	-	3,255	-	3,255
Unrelated Business Income Taxes	117,502	-	-	117,502
Depreciation	39,392	3,983	15,354	58,729
Total	\$ 2,134,597	\$ 429,619	\$ 420,670	\$ 2,984,886

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Statement of Functional Expenses

For the Year Ended September 30, 2014

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 962,626	\$ 119,563	\$ 182,973	\$ 1,265,162
Employee Benefits	256,964	33,142	48,816	338,922
Professional Fees	103,005	348,932	14,108	466,045
Subcontractors	41,111	-	-	41,111
Specific Assistance to Individuals	12,815	-	-	12,815
Retreats and Events	13,077	102	-	13,179
Occupancy	135,396	34,951	25,710	196,057
Insurance	-	4,130	-	4,130
Telephone	10,530	2,493	2,054	15,077
Rental and Maintenance of Equipment	4,222	1,000	825	6,047
Computer and Software	62,175	5,985	13,404	81,564
Supplies	31,560	4,045	-	35,605
Advertising and Public Relations	4,521	46	769	5,336
Printing and Publications	261,143	1,997	3,464	266,604
Postage and Shipping	104,296	5,769	261	110,326
Meetings and Travel	12,835	67	122	13,024
Staff Development	7,620	3,001	484	11,105
Fees	34	1,860	48,568	50,462
Indirect Special Events Expenses	-	-	38,996	38,996
Miscellaneous	-	1,145	-	1,145
Interest	-	9,276	-	9,276
Unrelated Business Income Taxes	33,201	-	-	33,201
Depreciation	39,924	26,899	13,489	80,312
Total	\$ 2,097,055	\$ 604,403	\$ 394,043	\$ 3,095,501

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Statements of Cash Flows

For the Years Ended September 30, 2015 and 2014

	2015	2014
Cash Flows from Operating Activities		
Governmental Contributions	\$ 1,217,088	\$ 1,682,795
Contributions	542,098	-
Net Revenue From Special Events	521,320	833,775
Advertisement Income	819,145	891,093
Interest Income	152	100
Miscellaneous	2,485	430
Payments for Interest	(3,255)	(9,276)
Payments for Taxes	(116,611)	(33,201)
Payments for Operating Expenses	<u>(2,900,691)</u>	<u>(3,080,775)</u>
Net Cash Provided by Operating Activities	<u>81,731</u>	<u>284,941</u>
Cash Flows from Investing Activities		
Purchase of Property and Equipment	<u>-</u>	<u>(29,257)</u>
Cash Flows from Financing Activities		
Addition (Reduction) in Security Deposits	9	(18)
Repayment of Line of Credit	-	(5,000)
Repayment of Mortgage Note Payable	<u>(19,226)</u>	<u>(36,398)</u>
Net Cash Used by Financing Activities	<u>(19,217)</u>	<u>(41,416)</u>
Net Increase in Cash	62,514	214,268
Cash, Beginning of Year	<u>254,903</u>	<u>40,635</u>
Cash, End of Year	<u><u>\$ 317,417</u></u>	<u><u>\$ 254,903</u></u>
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities		
Change in Net Assets	\$ 312,475	\$ 298,217
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	58,729	80,312
(Increase) Decrease in:		
Accounts Receivable	(174,160)	35,304
Prepaid Expenses	(6,614)	(28,892)

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Statements of Cash Flows

For the Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Increase (Decrease) in:		
Accounts Payable	(180,160)	(155,407)
Accrued Payroll	11,799	(16,965)
Accrued Unrelated Business Income Tax	53,075	33,201
Deferred Revenue	27,500	-
Refundable Advance from Government Funding	<u>(20,913)</u>	<u>39,171</u>
Net Cash Provided by Operating Activities	<u>\$ 81,731</u>	<u>\$ 284,941</u>

See accompanying notes to the financial statements.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 1 – Summary of Significant Accounting Policies

Organization

TPA Network, Incorporated (“the Organization”) is an Illinois not-for-profit corporation incorporated in February 1988 and is recognized as a charitable organization under Section 501(c)(3) of the Internal Revenue Code. TPA Network, Incorporated empowers everyone living with or at risk for HIV/AIDS to live open, healthy, and productive lives. The Organization innovates to deliver peer-led support programs and collaborative wellness services and to communicate comprehensive information.

Description of Program Services

Mental Health Services/Behavioral Health:

Individual and Couples Therapy—All HIV-positive and high-risk negative clients are eligible to receive individual and couples therapy with a licensed mental health professional at no cost.

Therapeutic Groups—There are currently four therapeutic groups, they include: *The 2 of Us*, a group for sero-discordant couples (a couple in which one partner is HIV positive and the other is HIV negative); *Future Focused*, a group for HIV positive individuals who are newly diagnosed or just coming to terms with their HIV diagnosis; an *Art Therapy* group for HIV positive clients who prefer a non-traditional therapeutic approach to address emotional and psychological problems and *Seasons*, a group for HIV positive individuals that are struggling with life stressors, relationship issues, and emotional distress. All therapy groups are facilitated by a licensed mental health clinician.

Mr. Sexx—A licensed mental health professional provides weekly safe sex counseling for members of Steamworks bathhouse.

Substance Abuse Services:

Our Voices Advocating Health (OVAH!)—Funded by SAMHSA, OVAH! is a comprehensive program that integrates HIV and substance abuse prevention education. Programs goals are to reduce substance use, decrease risky sexual behavior, increase HIV testing and increase the quality of life of participants. The target population is African-American men who have sex with men (MSM) between the ages of 18-24.

Healthy Outcomes Through Treatment, Empowerment, and Recovery (HOTTER)—Funded by SAMHSA, HOTTER aims to reduce the impact of behavioral health problems, reduce HIV risk and incidence, and increase access to treatment for individuals with co-existing behavioral health, HIV, and hepatitis conditions. HOTTER ensures that individuals who have or are at high risk for a substance use and/or a co-occurring mental disorder and who are living with or most at risk for HIV/AIDS have access to appropriate behavioral health services. TPAN is partnering with Lutheran Social Services of Illinois and Chicago Lakeshore Hospital for this endeavor. The target population is African-American men who have sex with men (MSM) between the ages of 18-29.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 1 – Summary of Significant Accounting Policies (Continued)

Education and Information:

TEAM (Treatment Education Adherence Management)—TPAN's innovative, 10-hour, peer-led treatment education program focuses on the successful management of HIV and the prevention of secondary infection. TEAM provides a safe, supportive and structured environment in which participants can learn and leverage their own life experiences and be linked to a system of care. Core curriculum topics include: "The History of HIV/AIDS", "Our Physical Bodies", "HIV and the Immune System", "Antiretroviral Treatment", "Complications of the Course of HIV/AIDS", "Mental Health and Substance Abuse", "HIV Stigma", "How to Self-Advocate for One's Health" and "Pre-exposure prophylaxis (PrEP)".

Positively Aware—TPAN is the publisher of the HIV/AIDS treatment journal *Positively Aware*—the leading not-for-profit publication serving the HIV community. The mission of *Positively Aware* is to be the premier source of unbiased information on HIV treatment, emerging drug therapies, clinical trials, and other critical information for people living with HIV, as well as their friends, families, caregivers and professionals in the field. *Positively Aware* educates and empowers those living with HIV/ AIDS to advocate for their health care; editorial content is focused on accurate, up-to-date treatment information and in-depth coverage of the most important medical conferences. *Positively Aware* is published bi-monthly and reaches 100,000 readers with each issue.

Client Advocacy:

Total Care Portal (TCP)—Provides the infrastructure supporting the linkage and follow up between TPAN's programs and services and programs and services received at other agencies and providers. TCP staff monitor client engagement, treatment adherence, risk behaviors and health outcomes. Staff also conduct regular assessments, provide referrals and are responsible for updating TPAN's database system with TCP-related activities.

Medical Case Management—Operated within AIDS Foundation of Chicago's coordinated case management system, case managers assist clients with applying for benefits, accessing emergency funds, identifying medical and social service needs, facilitating appropriate referrals to meet service needs and acting as a broker between clients and services. Case managers also assist clients with staying adherent to the treatment regimens in order to achieve better health outcomes.

Early Intervention Services—An early HIV intervention program which provides HIV positive individuals who have fallen out of care or are newly diagnosed with intensive, one-to-one support. The main goals are to help these individuals find quality HIV medical care and to remain adherent to treatment regimens in order to improve overall health.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 1 – Summary of Significant Accounting Policies (Continued)

Housing Advocacy—A TPAN housing advocate assists low income, HIV positive clients with finding and maintaining safe and affordable housing.

Prevention Services:

HIV Testing and Counseling—Provides HIV rapid testing services, post-test counseling and referrals. Services are delivered at TPAN's offices and at locations throughout metropolitan Chicago.

Hepatitis C (HCV) Testing and Counseling—In FY 2015 TPAN launched HCV testing and counseling. Individuals are able to receive HCV rapid testing services, post-test counseling and referrals. Services are delivered at TPAN's offices and at locations throughout metropolitan Chicago.

Mobile Testing—TPAN uses a mobile testing van to target communities in Chicago with disproportionately high rates of HIV infection rates. Individuals are able to receive an HIV test and counseling and, beginning in FY 2015, an HCV test with counseling.

Lifeline – A crisis intervention program for individuals that are at high risk who receive crisis counseling, information about Prep, and are connected to internal and external referrals as needed.

Basis of Accounting

The Organization prepares its financial statements using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The tax exempt purpose of the Organization and the nature in which it operates is described above. The Organization continues to operate in compliance with its tax exempt purpose.

The Organization's annual information and income tax returns filed with the federal and state governments are subject to examination for the open statutory period September 30, 2011 through 2014.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 1 – Summary of Significant Accounting Policies (Continued)

Cash

For purposes of the statements of cash flows, The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions and Advertisement Receivables

The Organization considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they are charged directly to operations when that determination is made. During the year ended September 30, 2015, no receivables were charged-off.

Property and Equipment

Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. The Organization provides for depreciation on the straight-line method at rates designed to depreciate the cost of assets over estimated useful lives which is seven years for leasehold improvements and five years for furniture, equipment, and software and vehicles. Gains and losses from the sale of property and equipment are included in income. Maintenance and repairs are charged to operations.

Support and Revenue

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends 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. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the years ended September 30, 2015 and 2014, the Organization did not receive any donated property or equipment.

Government Contributions

Support funded by government contracts, which qualify as conditional promises to give, are recognized when the condition of performing the contracted services is met. Revenue is therefore recognized as earned as the condition of eligible expenses are incurred. These expenditures are subject to audit and acceptance by the granting Organization and, as a result of such audit, adjustments could be required.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 1 – Summary of Significant Accounting Policies (Continued)

Donated Services

Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the current period, no donated services met these criteria. There were, however, a substantial number of volunteers who donated their time towards the activities of the Organization, the value of which was not required to be disclosed in the financial statements.

In-Kind Contributions

In addition to receiving cash contributions, the Organization receives in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the year ended September 30, 2015, the Organization did not receive in-kind contributions.

Fair Value Disclosures

The fair value of financial instruments including cash, contributions receivable, advertisement receivable, prepaid expenses, accounts payable, accrued expenses and deferred revenue approximates the carrying value, principally because of the short maturity of those items.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

Management has evaluated subsequent events through March 1, 2016, the date the financial statements were available to be issued.

Note 2 – Refundable Advance

The Organization received funds in exchange for their agreement to provide specific services. At September 30, 2015, \$115,808 had not yet been earned.

Note 3 – Accrued Unrelated Business Income Tax

The advertising income earned from the Organization's Positively Aware publication is subject to unrelated business income tax for both federal and Illinois tax purposes. The Organization has estimated their total unrelated business income tax liability to be \$86,276 at September 30, 2015, and \$33,201 at September 30, 2014.

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 4 – Lines of Credit

The Organization maintained a \$30,000 revolving line of credit which was subsequently extended to June 1, 2015. The line was collateralized by substantially all of the Organization's assets. Interest was charged at 7%, and was payable monthly. The line expired on June 1, 2015 and the Organization did not renew the line.

Note 5 – Long Term Debt

The Organization's obligation under long-term debt is as follows:

Note payable - 7%, payable in monthly installments of \$1,873 including interest: final payment due June 5, 2017. The loan is collateralized by substantially all of the Organization's assets	\$ 35,572
Less: current maturities	<u>(20,517)</u>
Long-Term Debt	<u>\$ 15,055</u>

Future maturities of long-term debt are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 20,517
2017	<u>15,055</u>
Total	<u>\$ 35,572</u>

Note 6 – Conditional Promises to Give

The Organization has received the following conditional promises to give that are not recognized as assets in the statement of financial position as of September 30, 2015:

<u>Conditional Promises to Give Upon Expenditure of Funds</u>	<u>Term</u>	<u>Amount</u>	<u>Earned as of September 30, 2015</u>	<u>Remaining Funding Available</u>
Chicago Department of Public Health				
Prevention	1/1/15-12/31/15	\$ 172,000	\$ 122,421	\$ 49,579
Ryan White	3/1/15-2/29/15	135,557	57,897	77,660

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 6 – Conditional Promises to Give (Continued)

Conditional Promises to Give Upon Expenditure of Funds	Term	Amount	Earned as of September 30, 2015	Remaining Funding Available
AIDS Foundation of Chicago				
Ryan White Part B - Case Management	4/1/15-3/31/16	168,220	78,645	89,575
Ryan White - Psychosocial Support	4/1/15-3/31/16	5,000	1,700	3,300
Housing	1/1/15-12/31/15	54,373	39,585	14,788
Total		\$ 535,150	\$ 300,248	\$ 234,902

The Organization has received the following conditional promises to give that are not recognized as assets in the statement of financial position as of September 30, 2014:

Conditional Promises to Give Upon Expenditure of Funds	Term	Amount	Earned as of September 30, 2014	Remaining Funding Available
Chicago Department of Public Health				
Prevention	1/1/14-12/31/14	\$ 270,000	\$ 166,755	\$ 103,245
AIDS Foundation of Chicago				
Ryan White Part B - Case Management	4/1/14-3/31/15	202,542	78,020	124,522
Ryan White Part A - Early Intervention	7/1/14-2/28/15	38,314	13,995	24,319
Housing	1/1/14-12/31/14	46,479	11,560	34,919
Total		\$ 557,335	\$ 270,330	\$ 287,005

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 7 – Net Revenues from Special Events

Net revenues from special events consist of the following:

	<u>2015</u>	<u>2014</u>
Contributions, including sponsorship and auction	\$ 601,757	882,485
Less: Costs of direct benefits to donors	<u>(50,437)</u>	<u>(48,710)</u>
Net revenues from Special Events	<u>\$ 551,320</u>	<u>\$ 833,775</u>

Note 8 – Employee Benefit Plan

The Organization has a 401(k) plan which covers substantially all full-time employees. The Organization's contribution is equal to the participant's deferral up to a maximum of 3% of salary. Employees are eligible to participate after three months of service and vest upon completion of three years of service. The Organization contributed \$27,387 and \$26,062 for the years ended September 30, 2015 and 2014, respectively.

Note 9 – Lease Commitments

The Organization leases facility space under a non-cancellable operating lease arrangement which expires September 30, 2020. The Organization is responsible for additional rent to reimburse the landlord for their share of the utilities. Rental expense for this lease included in the statement of activities for the year ended September 30, 2015, was \$185,325.

The Organization is in the process of negotiating a new lease with the current landlord for replacement office space. It is the intent of the landlord and the Organization to simultaneously enter into the new lease agreement and cancel the current lease agreement.

Future minimum payments under the original operating lease are as follows:

<u>September 30,</u>	<u>Amount</u>
2016	\$ 180,432
2017	180,432
2018	180,432
2019	180,432
2020	<u>180,432</u>
Total	<u>\$ 902,160</u>

TPA Network, Incorporated

d/b/a TPAN

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

Note 10 – Concentration of Credit Risk

During the year ended September 30, 2015, the Organization received approximately 37% of its funding from various government agencies, 14% from one fundraising event, and 29% from net advertising revenue. Following is a breakdown by government funding agency of the Organization's revenue for the year ended September 30, 2015 and the contributions receivable at September 30, 2015:

	% of Total Revenue	% of Contributions Receivable
U.S. Department of Health and Human Services	23%	27%
Chicago Department of Public Health	7%	39%
AIDS Foundation of Chicago (pass through government funds)	7%	34%
Total	37%	100%

During the year ended September 30, 2014, the Organization received approximately 34% of its funding from various government agencies, 22% from one fundraising event, and 28% from net advertising revenue. Following is a breakdown by government funding agency of the Organization's revenue for the year ended September 30, 2014 and the contributions receivable at September 30, 2014:

	% of Total Revenue	% of Contributions Receivable
U.S. Department of Health and Human Services	20%	39%
Chicago Department of Public Health	7%	20%
AIDS Foundation of Chicago (pass through government funds)	7%	40%
Other	0%	1%
Total	34%	100%



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Independent Auditor's Report on Supplementary Information

To the Board of Directors
TPA Network, Incorporated
d/b/a TPAN
Chicago, IL

We have audited the accompanying financial statements of TPA Network, Incorporated d/b/a TPAN as of September 30, 2015, and our report thereon dated March 1, 2016, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenses by Program is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

Kessler, Orlean, Silver & Company, P.C.
Certified Public Accountants

Deerfield, Illinois
March 1, 2016

TPA Network, Incorporated

d/b/a TPAN

Schedule of Expenses by Program

For the Year Ending September 30, 2015

	Health Services	Abuse Services	Education and Information	Client Advocacy	Prevention Services	Total Program
Salaries and Wages	\$ 50,641	\$ 313,346	\$ 214,975	\$ 211,676	\$ 129,905	\$ 920,543
Employee Benefits	10,730	66,528	47,815	44,254	26,243	195,570
Professional Fees	10,626	109,811	27,454	4,627	158	152,676
Subcontractors	-	50,719	-	-	-	50,719
Specific Assistance to Individuals	619	10,392	360	945	400	12,716
Retreats and Events	-	35,527	159	-	-	35,686
Occupancy	7,768	49,591	31,826	34,265	19,796	143,246
Telephone	495	3,286	2,630	2,153	1,221	9,785
Rental and Maintenance of Equipme	415	2,411	1,607	1,648	941	7,022
Computer and Software	1,431	32,814	12,352	4,281	1,736	52,614
Supplies	2,508	32,589	3,977	1,551	26,309	66,934
Advertising and Public Relations	18	-	730	-	312	1,060
Printing and Publications	35	141	227,093	-	-	227,269
Postage and Shipping	34	26	77,552	69	34	77,715
Meetings and Travel	56	2,683	16,595	583	196	20,113
Staff Development	-	1,565	2,169	50	-	3,784
Fees	-	-	-	-	251	251
Unrelated Business Income Taxes	-	-	117,502	-	-	117,502
Depreciation	2,538	15,116	5,260	10,211	6,267	39,392
Total	\$ 87,914	\$ 726,545	\$ 790,056	\$ 316,313	\$ 213,769	\$ 2,134,597

See independent auditor's report on supplementary information.