

Financial Statements

CARE NET

June 30, 2019

GENERAL ORGANIZATIONAL DATA

ORGANIZATION AND PURPOSE

Care Net was incorporated under the laws of the District of Columbia in July, 1986 to operate a nonstock, nonprofit organization. The Organization was originally incorporated as The Christian Action Council Education & Ministries Fund, Inc. D/B/A Care Net and officially changed its name to Care Net November 16, 1999.

Care Net provides training, support, professional assistance, materials, and leadership to independent affiliated crisis pregnancy centers and others involved in pro-life work. To achieve its purpose, Care Net focuses its work in a manner consistent with the Biblical and historical teachings of the Christian community concerning the sanctity of human life at all stages of its existence and development.

Care Net was granted exemption in July, 1987 from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

OFFICERS AND BOARD OF DIRECTORS

OFFICERS

Thomas Mason, Chair
Kathleen Patterson, Ph.D, Co-Chair
Dennis Brown, Treasurer
Shaunti Feldhahn, Secretary
Roland Warren, President & CEO

BOARD OF DIRECTORS

Dennis Brown	Thomas Mason
Shaunti Feldhahn	David Moja
Bruce Hellen	Kathleen Patterson, Ph.D.
Joseph Infranco	Jerry Regier
Kimberly Kennedy	Dr. Christopher Ryan
Bonnie Wurzbacher	

EX-OFFICIO BOARD MEMBER

Roland Warren

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Care Net
Lansdowne, Virginia

We have audited the accompanying financial statements of Care Net (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, 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 financial statements referred to above present fairly, in all material respects, the financial position of Care Net as of June 30, 2019, 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.

Report on Summarized Comparative Information

We have previously audited the Care Net's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 26, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Leesburg, Virginia
October 15, 2019

Mitchell & Co., P.C.

CARE NET

STATEMENT OF FINANCIAL POSITION

June 30, 2019

(with June 30, 2018 comparative totals)

ASSETS	2019	2018
Current Assets		
Cash and cash equivalents	\$ 2,977,269	\$ 2,646,835
Contributions receivable	134,947	-
Accounts receivable	9,284	25,545
Related organization pledge receivable	-	187,150
Publication inventory (net of allowance \$59,764 for 2019 and 2018)	472,316	539,601
Prepaid expenses	66,738	80,769
Total current assets	3,660,554	3,479,900
Property and Equipment		
Office furniture and equipment	90,070	90,070
Website	53,460	53,460
Leasehold improvements	30,000	30,000
	173,530	173,530
Less accumulated depreciation	(160,143)	(146,587)
	13,387	26,943
Total Assets	\$ 3,673,941	\$ 3,506,843
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 146,342	\$ 170,223
Accrued payroll and paid time off	186,960	170,261
Unearned income	367,708	348,366
Pledged contribution to related organization	150,000	-
Total current liabilities	851,010	688,850
Net Assets		
Without donor restriction	2,587,931	2,679,699
With donor restriction	235,000	138,294
Total net assets	2,822,931	2,817,993
Total liabilities and net assets	\$ 3,673,941	\$ 3,506,843

See Notes to Financial Statements.

CARE NET

STATEMENT OF ACTIVITIES

For The Year Ended June 30, 2019

(with June 30, 2018 comparative totals)

	Without Donor	With Donor	Totals	
	Restriction	Restriction	2019	2018
SUPPORT AND REVENUE				
Public support				
Contributions	\$ 3,081,547	\$ 475,000	\$ 3,556,547	\$ 3,054,217
Grants	564,510	50,000	614,510	891,875
Total public support	<u>3,646,057</u>	<u>525,000</u>	<u>4,171,057</u>	<u>3,946,092</u>
Revenue				
Conference	625,167	-	625,167	545,992
Affiliation fees	168,074	-	168,074	184,176
Training	3,815	-	3,815	4,653
Resource sales	324,326	-	324,326	294,806
Interest/royalties	13,893	-	13,893	12,610
Speaking honorariums	74,917	-	74,917	71,203
Miscellaneous	21,028	-	21,028	4,131
Total revenue	<u>1,231,220</u>	<u>-</u>	<u>1,231,220</u>	<u>1,117,571</u>
Net assets released from restrictions:				
Satisfaction of usage restrictions	428,294	(428,294)	-	-
Total support and revenue	<u>5,305,571</u>	<u>96,706</u>	<u>5,402,277</u>	<u>5,063,663</u>
EXPENSES				
Program expenses				
Center Services Operations	650,493	-	650,493	752,030
Public Education	1,521,408	-	1,521,408	1,436,601
Public and Center Services Outreach	1,159,669	-	1,159,669	988,241
Pregnancy Decision Line	317,445	-	317,445	322,809
Conference	522,980	-	522,980	533,767
Cost of goods sold	292,435	-	292,435	246,839
Grants to other organizations	150,000	-	150,000	-
	<u>4,614,430</u>	<u>-</u>	<u>4,614,430</u>	<u>4,280,287</u>
Supporting services				
Management & general	219,144	-	219,144	265,489
Fundraising	563,765	-	563,765	512,838
Total expenses	<u>5,397,339</u>	<u>-</u>	<u>5,397,339</u>	<u>5,058,614</u>
Change in net assets	(91,768)	96,706	4,938	5,049
Net Assets, beginning of year	<u>2,679,699</u>	<u>138,294</u>	<u>2,817,993</u>	<u>2,812,944</u>
Net Assets, end of year	<u>\$ 2,587,931</u>	<u>\$ 235,000</u>	<u>\$ 2,822,931</u>	<u>\$ 2,817,993</u>

See Notes to Financial Statements.

CARE NET

STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended June 30, 2019

(with June 30, 2018 comparative totals)

	Program Services							Totals			
	Center Services Operations	Public Education	Public and Center Services Outreach	Pregnancy Decision Line	Conference	Other Programs	Total Program	Management and General	Fundraising	2019	2018
Salaries and related expenses											
Wages	\$ 360,836	\$ 756,149	\$ 459,099	\$ 118,852	\$ 115,264	\$ -	\$ 1,810,200	\$ 77,233	\$ 60,743	\$ 1,948,176	\$ 1,792,161
Employee Benefits	72,634	171,717	68,005	22,252	28,914	-	363,522	21,937	14,024	399,483	371,626
Payroll taxes	26,693	52,680	34,728	9,507	9,709	-	133,317	4,549	4,379	142,245	130,736
	<u>460,163</u>	<u>980,546</u>	<u>561,832</u>	<u>150,611</u>	<u>153,887</u>	<u>-</u>	<u>2,307,039</u>	<u>103,719</u>	<u>79,146</u>	<u>2,489,904</u>	<u>2,294,523</u>
Business expenses	2,330	-	20,944	754	14,287	-	38,315	3,109	96,915	138,339	101,441
Depreciation	2,505	5,338	3,059	820	838	-	12,560	565	431	13,556	15,837
Facilities & equipment	41,126	88,014	54,349	13,519	14,568	-	211,576	9,310	7,204	228,090	237,107
Public communication & appeal costs	-	306,222	-	-	-	-	306,222	-	66,583	372,805	398,262
Outreach development & data base management	-	118,485	-	-	-	-	118,485	-	-	118,485	122,012
Insurance	3,541	7,544	4,323	1,159	2,403	-	18,970	798	609	20,377	19,684
Supplies	11,988	-	18,165	6,548	7,757	-	44,458	3,971	13,558	61,987	25,957
Postage and mailing	(132)	-	6,819	(43)	11	-	6,655	329	14,404	21,388	8,690
Printing and publications	1,068	58	32,731	9	3,231	-	37,097	2,673	36,033	75,803	55,055
Telephone	1,692	2,977	4,259	1,347	1,563	-	11,838	1,149	976	13,963	13,393
Travel & meals	8,355	12,204	31,562	2,975	192,692	-	247,788	15,384	35,928	299,100	281,209
Books & subscriptions	660	-	155	-	300	-	1,115	544	79	1,738	2,682
Program & training expenses	2,570	-	88,626	121,437	113,570	-	326,203	2,111	36,594	364,908	380,162
Information technology	19,227	-	111,152	11,501	7,345	-	149,225	5,449	45,730	200,404	178,577
Consulting fees	9	20	11	3	6,570	-	6,613	2	2	6,617	35,370
Other professional services	93,987	-	150,549	6,422	197	-	251,155	69,233	128,630	449,018	408,771
Freight & shipping	-	-	70,728	-	1,458	-	72,186	250	179	72,615	51,872
Other allocated costs	1,404	-	405	383	2,303	-	4,495	548	764	5,807	23,933
Gift in kind	-	-	-	-	-	-	-	-	-	-	1,682
Grants awarded	-	-	-	-	-	150,000	150,000	-	-	150,000	155,556
Costs of goods sold	-	-	-	-	-	292,435	292,435	-	-	292,435	187,030
Publication inventory revaluation	-	-	-	-	-	-	-	-	-	-	59,809
	<u>190,330</u>	<u>540,862</u>	<u>597,837</u>	<u>166,834</u>	<u>369,093</u>	<u>442,435</u>	<u>2,307,391</u>	<u>115,425</u>	<u>484,619</u>	<u>2,907,435</u>	<u>2,764,091</u>
Total expenses	\$ 650,493	\$ 1,521,408	\$ 1,159,669	\$ 317,445	\$ 522,980	\$ 442,435	\$ 4,614,430	\$ 219,144	\$ 563,765	\$ 5,397,339	\$ 5,058,614
June 30, 2018	\$ 752,030	\$ 1,436,601	\$ 988,241	\$ 322,809	\$ 533,767	\$ 246,839	\$ 4,280,287	\$ 265,489	\$ 512,838	\$ 5,058,614	

See Notes to Financial Statements.

CARE NET

STATEMENT OF CASH FLOWS

For The Year Ended June 30, 2019

(with June 30, 2018 comparative totals)

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 4,938	\$ 5,049
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	13,556	15,837
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	16,264	(12,936)
Supportive organization pledge receivable	187,150	152,850
Other pledges receivable	(134,947)	50,000
Publication inventory	67,285	(12,115)
Prepaid expenses	14,031	77,621
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(23,881)	120,491
Accrued payroll and paid time off	16,699	19,029
Unearned income	19,342	(11,533)
Supportive organization payable	150,000	-
Net cash provided by operations	<u>330,437</u>	<u>404,293</u>
Cash Flows from Investing Activities		
Purchases of office equipment and furniture	-	(21,998)
Net cash (used in) investing activities	<u>-</u>	<u>(21,998)</u>
Net increase in cash	330,437	382,295
Cash and Cash Equivalents		
Beginning	2,646,835	2,264,540
Ending	<u>\$ 2,977,272</u>	<u>\$ 2,646,835</u>

See Notes to Financial Statements.

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies

Nature of Activities

Care Net was organized to provide training, support, professional assistance, material, & leadership to independent affiliated crisis pregnancy centers and others involved in pro-life work. To achieve its purpose, Care Net focuses its work in a manner consistent with the Biblical and historical teachings of the Christian community concerning the sanctity of human life at all stages of its existence and development.

Significant Accounting Policies

The financial statements of Care Net have been prepared in accordance with policies followed by nonprofit organizations. The significant accounting policies that follow are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting: The financial statements of Care Net have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) as defined in the FASB Accounting Standards Codification (ASC) Topic 958 dated August 2016, *Not-For-Profit Entities*, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations". (ASC) 958-205 was effective July 1, 2018. Under ASC Topic 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restriction: Net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets With Donor Restriction: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents: For purposes of reporting cash flows, the Organization considers all cash on demand deposits, money market deposits, cash management accounts, and certificates of deposit with an original maturity of three months or less to be cash equivalents.

Property, Equipment and Depreciation: Expenditures for the acquisition of property and equipment of \$500 or more is capitalized at cost. Depreciation of office furniture and equipment is computed on a straight-line method over its estimated useful life of 3-5 years. Depreciation of leasehold improvements is computed on a straight-line method over the life of the lease. Costs of normal repairs and maintenance are expensed as incurred.

Allowance for Uncollectible Accounts Receivable: The reserve method is used to provide for possible uncollectible accounts receivable. The reserve is based upon management's knowledge and review of the outstanding items. Management has determined all outstanding accounts are collectible at June 30, 2019 and 2018.

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Income Taxes: The Organization is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3) and therefore, has made no provision for Federal income taxes. In addition, the Organization has no unrelated business taxable income. The Organization's management has adopted the guidance under ASC Topic 740, *Accounting for Uncertainty in Income Taxes*, and has evaluated the Organization's tax positions and concluded that the Organization has taken no uncertain tax provisions that would require adjustment to, or disclosure in, the financial statements to comply with the provisions of the guidance.

Promises to Give: Unconditional promises to give are recognized as revenues on a discounted basis in the period made. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional. Short duration promises to give are not discounted due to the short period of the unfulfilled donation.

Revenue Recognition: Conference fees, Affiliation fees, and Training fees are reported as income over the period the fees relate. Funds received in advance of participation and for future periods are reported as deferred income.

Restricted and Unrestricted Contributions: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted and reported in the statements of activities as net assets released.

Donated Noncash Assets: Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

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.

Inventory: Inventory is stated at the lower of cost or market. For purchased items, cost is determined using the direct purchase method of valuation. Items for resale developed internally are stated at direct cost of development, revalued annually for possible obsolescence and excess costs over projected sale value.

Advertising Costs: Advertising costs are expensed as incurred.

Measure of Operations: The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to CN's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature. There were no non-operating activities in 2019.

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Functional Allocation of Expenses: The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Management allocates all costs directly when possible. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on based on their natural cost driver. The expenses that are allocated include the following:

Description	Allocation Method
Personnel costs	Time and effort
Occupancy costs	Space utilized
Overhead	Time and effort

New Accounting Pronouncement: On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. CN has adjusted the presentation of these statements accordingly.

Note 2. Fair Value of Financial Instruments

The Organization's financial instruments consist of cash and cash equivalents, pledged and accounts receivables, accounts payable and accrued expenses. The recorded values of these financial instruments approximate their fair values based on their short-term nature.

Note 3. Cash Deposits and Concentration of Credit Risks

The composition of cash deposits at June 30, 2019 and 2018, is as follows:

Bank	Bank	Book Balance	
	Balance	2019	2018
US Bank	\$ 335,790	\$ 338,746	\$ 204,215
TD Bank	738,294	736,758	488,370
TD Ameritrade	1,901,765	1,901,765	1,936,743
Paypal	-	-	17,507
	<u>\$ 2,975,849</u>	<u>\$ 2,977,269</u>	<u>\$ 2,646,835</u>

Individual bank combined cash account deposits up to \$250,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2019, bank balances exceeded FDIC coverage limits by \$574,084. Cash balances in TD Ameritrade reserve account are insured under FDIC and under London private insurers.

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 4. Publication Inventory

At June 30, 2019 and 2018, publication inventory on hand consisted of the following product types held for sale:

Description - publications and manuals	2019	2018
Paper hardcover	\$ 62,863	\$ 72,331
Electronic	409,453	467,270
	<u>\$ 472,316</u>	<u>\$ 539,601</u>

Note 5. Line of Credit Financing Facility

Care Net has available a \$400,000 revolving line of credit with TD Bank, N.A. Terms include interest due monthly at bank prime rate variable, due upon demand, renewed annually and secured by cash balances in TD Ameritrade, Inc. accounts. At June 30, 2019 there was no outstanding balance.

Note 6. Net Assets with Donor Restriction

A summary net assets with donor restriction for the year ended June 30, 2019 and 2018 is as follows:

Description	Balance	FY19 Activity		Balance
	6/30/2018	Additions	Uses	6/30/2019
Restricted for specific purpose:				
Services in Texas and Oklahoma	\$ 50,000	\$ 25,000	\$ (40,000)	\$ 35,000
Direct marketing	-	200,000	(200,000)	-
Church initiative	50,000		(50,000)	-
Pregnancy Decision Line	38,294	150,000	(113,294)	75,000
Making Life Disciples Project	-	150,000	(25,000)	125,000
	<u>\$ 138,294</u>	<u>\$ 525,000</u>	<u>\$ (428,294)</u>	<u>\$ 235,000</u>

Care Net receives contributions for a specific use purpose. Care Net monitors the use of the funds adhering to the specific use restriction.

Note 7. Royalty Income

Care Net maintains distribution agreements with the several book authors. Royalties payable to Care Net under these agreements range from 3 percent to 25 percent of gross sales. Total royalties received in years ended June 30, 2019 and 2018 amounted to \$8,399 and \$12,246, respectively.

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 8. Defined Contribution Pension Plan

Care Net sponsors a defined contribution 401(k) pension plan covering all full time employees with at least 6 months of service. Employees elect to contribute amounts allowed under current law and Care Net matches the employee salary deferral up to 2% of compensation. In addition, Care Net makes an annual discretionary contribution to the plan for each eligible employee of 3% of their compensation. Care Net contributions are as follows:

Plan Contributions	2019	2018
Matching	\$ 31,164	\$ 27,955
Discretionary	48,710	44,666
	<u>\$ 79,874</u>	<u>\$ 72,621</u>

Note 9. Operating Office Leases

Care Net entered into an office space operating lease with Prison Fellowship Ministries commencing November 2015 for four (4) years, expiring in October 2019. Care Net renewed the lease with Prison Fellowship Ministries effective November 1, 2019, for a term of 5 years. The lease extension reduced monthly rental expense from \$17,892 to \$14,514, and provides for scheduled annual rental increases of 2 percent. Monthly rental expense for the Lansdowne facility for years ending June 30, 2019 and 2018 was \$17,892 and \$17,543, respectively and total 2019 and 2018 rental expense under this lease amounted to \$217,608 and \$214,884 respectively.

Future minimum office rent lease commitment under the Lansdowne, Virginia office operating leases is as follows:

Year ending June 30	Amount
2020	\$ 187,668
2021	176,470
2022	179,999
2023	183,599
2024	187,271
2025	62,834
Total future commitment	<u>\$ 977,841</u>

Note 10. Allocation of Joint Costs

Care Net has allocated the joint costs of providing calls to action and activities that include a fundraising appeal. Since only those activities which include both programmatic and fundraising components are included in this allocation, the amounts below do not include all the expenses presented in the statement of functional expense. For the years ended June 30, 2019 and 2018, the allocation of the joint costs is summarized as follows:

Description	2019	2018
Public Education	\$ 424,707	\$ 423,930
Fundraising	66,583	96,344
	<u>\$ 491,290</u>	<u>\$ 520,274</u>

CARE NET

NOTES TO FINANCIAL STATEMENTS

Note 11. Provision for Unrelated Business Income Tax

During 2019 and 2018, the Organization had unrelated business taxable income of \$10,250 and \$13,649, respectively. Combined direct and indirect allocated costs exceeded the income, accordingly no tax was due or provision for income taxes was recorded.

Note 12. Liquidity

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Description	Amount
Banking deposits	\$ 1,075,504
Short-term liquid investments	1,901,765
Pledges collected shortly after year-end	134,947
Supportive organization payment made after year-end	(150,000)
	<u>\$ 2,962,216</u>

Note 13. Supportive Organization

Care Net Foundation (CNF) was organized for the purpose of supporting Care Net and other public charities. CNF is operated and supported by Care Net. A summary of the June 30, 2019 and 2018 transactions are as follows:

Operational Support Activity	2019	2018
From Care Net Foundation	\$ 33,050	\$ 233,850
To Care Net Foundation	(150,000)	-
	<u>\$ (116,950)</u>	<u>\$ 233,850</u>

Note 14. Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2018 of the prior year, from which the summarized information was derived.

Note 15. Subsequent Events

Care Net has evaluated events and transactions subsequent to June 30, 2019 through October 15, 2019, the date these financial statements were available to be issued. Based on the definitions and requirements of the U.S. generally accepted accounting principles, management has not identified any events that have occurred subsequent to June 30, 2019 that require adjustment to, or disclosure in, the financial statements for the year ended June 30, 2019.