

HUNDRED NIGHTS, INC.

REVIEWED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

ANDERSON & GILBERT, INC.
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To the Board of Directors

Hundred Nights, Inc.
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We have reviewed the accompanying statement of financial position of Hundred Nights, Inc. as of December 31, 2015, and the related statements of operations and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Hundred Nights, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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 conformity with accounting principles generally accepted in the United States of America.

Keene, New Hampshire
November 17, 2016

HUNDRED NIGHTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

Assets

	2015	2014
Current Assets		
Cash & Cash Equivalents	\$ 84,657	\$ 53,579
Prepaid Expenses	<u>159</u>	<u>-</u>
Total Current Assets	84,816	53,579
Property and Equipment		
Furniture and Equipment	22,650	19,398
Leasehold Improvements	9,362	9,362
Vehicle	-	1,500
Less: Accumulated Depreciation	<u>(8,849)</u>	<u>(6,354)</u>
Net Property and Equipment	<u>23,163</u>	<u>23,906</u>
Total Assets	<u>\$ 107,979</u>	<u>\$ 77,485</u>

Liabilities and Net Assets

	2015	2014
Current Liabilities		
Accounts Payable & Accrued Expenses	\$ 5,443	\$ 3,947
Deferred Revenue	<u>7,725</u>	<u>26,700</u>
Total Current Liabilities	13,168	30,647
Net Assets		
Unrestricted Net Assets, Beginning of the Year	46,838	37,318
Change in Net Assets	<u>47,973</u>	<u>9,520</u>
Total Net Assets, End of the Year	<u>94,811</u>	<u>46,838</u>
Total Liabilities and Net Assets	<u>\$ 107,979</u>	<u>\$ 77,485</u>

HUNDRED NIGHTS, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Revenue		
Contributions	\$ 69,020	\$ 91,721
Grants	62,400	14,850
Monadnock United Way	55,000	29,457
Government Grants	29,123	18,250
Fundraising Events	24,951	27,892
Investment/Interest Income	<u>232</u>	<u>57</u>
Total Revenue	240,726	182,227
Operating Expenses		
Salaries & Benefits	104,125	97,253
Occupancy	42,341	40,113
Payroll Taxes	8,803	8,513
Office & Facility Supplies	10,360	6,063
Professional Fees	4,207	4,515
Depreciation Expense	2,795	2,561
Telephone & Communications	2,324	2,118
General & Administrative Expense	8,068	4,593
Client Assistance & Support	2,161	894
Insurance	3,321	2,766
Fundraising Expenses	<u>4,248</u>	<u>3,318</u>
Total Operating Expenses	<u>192,753</u>	<u>172,707</u>
Change in Net Assets	<u>\$ 47,973</u>	<u>\$ 9,520</u>

HUNDRED NIGHTS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash Flows from Operating Activities		
Change in Net Assets		
Change in Net Assets	\$ 47,973	\$ 9,520
Total Change in Net Assets	47,973	9,520
Adjustments to Change in Net Assets		
Adjustments to reconcile Change in Net Assets to Net Cash:		
Depreciation Expense	2,795	2,561
(Increase) Decrease in the Following Assets:		
Prepaid Expenses	(159)	-
Increase (Decrease) in the Following Liabilities:		
Accounts Payable & Accrued Expenses	1,496	1,621
Deferred Revenue	(18,975)	17,550
Total Adjustments	(14,843)	21,732
Net Cash Provided By (Used In) Operating Activities	33,130	31,252
Cash Flows from Investing Activities		
Capital Expenditures, Net of Disposals	(2,052)	(5,764)
Net Cash Provided By (Used In) Investing Activities	(2,052)	(5,764)
Net Increase (Decrease) in Cash	31,078	25,488
Cash at Beginning of the Year		
Cash at Beginning of the Year	53,579	28,091
Total Cash at Beginning of the Year	53,579	28,091
Cash at End of the Year	\$ 84,657	\$ 53,579

HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2015 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Hundred Nights, Inc., “the Organization,” is a not-for-profit corporation organized in New Hampshire in 2011. The Organization is exempt from income tax under Internal Revenue Code Section 501(c)(3).

The Organization is a community organization with three components. They provide a cold weather shelter with clean beds in a warm and safe environment overnights during the winter months to homeless in the area. The Organization also provides a year-round Open Doors Resource Center, for homeless individuals to gather for sustenance of body and spirit and on one night per week a free medical clinic for the uninsured or under-insured is held.

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.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with short-term maturities, excluding any assets limited as to use. For the year ending December 31, 2015 and 2014 cash and cash equivalents includes a checking and two savings accounts. The Board designated \$10,000 to be held in reserve in a savings account, the funds can only be used upon a board vote and requires two signatures.

Assets Limited As to Use

Assets limited as to use consist of assets designated by the board and restricted by donors. For the year ended December 31, 2015 and 2014 there were no restricted assets.

**HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2015 and 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are carried at cost. Maintenance repairs and minor renewals are expensed as incurred. Major renewals, betterments and leasehold improvements are capitalized. Depreciation is computed on the straight-line method, using half-year convention in the year of acquisition and the year of disposal, and is provided over the estimated useful life of each class of depreciable assets. Leasehold improvements are being depreciated over 39 years and at the end of the lease if not renewed any undepreciated value will be taken.

NOTE 2 – FUNCTIONAL EXPENSES

The Organization provides shelter and a resource center for homeless individuals in the Monadnock region. Expenses related to providing these services are as follows:

	2015	2014
Program Expenses	\$ 119,794	\$ 107,444
Administrative and General	62,879	59,103
Fundraising Expenses	10,080	6,160
Total	\$ 192,753	\$ 172,707

NOTE 3 – COMMITMENT AND CONTINGENCIES

The Organization leases its office, shelter and resource center facilities from Timoleon and Kiriaky Chakalos under a lease agreement updated as of April 15, 2014 for a term of 5 years, from the initial beginning lease period of January 1, 2011. The monthly lease payments are \$2,500 and the lease does allow for an annual increase of a maximum of 3 percent. The increase feature of the lease was invoked in 2014 due to increased taxes and the Organization was required to pay an additional \$1,600 for 2014 rent. The monthly lease payment for 2015 was \$2,850. Beginning in January 2016 the lease payments were increased to \$4,000 per month due to the increased space and resources being used, the lease payment includes some utilities as well. The future minimum lease payments for 2016 are \$48,000.

HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2015 and 2015

NOTE 4 – DEFERRED REVENUE

Deferred Revenue consists of funds received to be used for future expenses, activities and events. As of December 31, 2015 and 2014 this amount is \$7,725 and \$26,700, respectively and is primarily funds designated for operations in the following year.

NOTE 5 – DONATED GOODS AND SERVICES

The Organization receives significant donations of volunteer time which are not recognized in these statements. For the year ending December 31, 2015 there was volunteer labor of approximately 10,000 hours, the value of the volunteer labor is estimated between \$100,000 and \$200,000. Additionally, there are significant donations of food, supplies and clothing, which also have not been reflected in the financial statements. The fair market value of these donations is valued at approximately \$50,000. Beginning in 2016, the Organization is going to record these donations as Gifts In Kind at their fair market value when received on the financial statements.

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 17, 2016, which is the date the financial statements were available to be issued. The Organization does not believe that any events requiring recognition or disclosure occurred between December 31, 2015 and November 17, 2016 other than the following two items.

As mentioned in Note 5, Gifts of supplies, food and clothing will be recognized as Gifts in Kind on the financial statements at their fair market value when received.

Beginning in 2016, the Organization is offering two new employee benefits, a Simple IRA and dental insurance to all employees working 30 hours or more. The Organization is offering up to a 3% match to the Simple IRA for all eligible participants.