ONE N TEN

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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YEAR ENDED DECEMBER 31, 2015

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
one n ten
Phoenix, Arizona

We have audited the accompanying financial statements of one n ten (a nonprofit organization), which comprise the statement of financial position as of December 31, 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.

Auditors' 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 auditors' 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.

Board of Directors
one n ten

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of one n ten as of December 31, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
August 15, 2016

ONE N TEN
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015

ASSETS

Cash and Cash Equivalents	$	347,011
Accounts Receivable		9,500
Pledges Receivable		281,765
Property and Equipment, Net		21,793
Other Current Assets		38,311
Total Assets	$	698,380

LIABILITIES AND NET ASSETS

Accounts Payable	$	11,983
Accrued Payroll and Related Liabilities		21,206
Other Liabilities		45,912
Total Liabilities		79,101
Unrestricted		120,074
Temporarily Restricted		499,205
Total Net Assets		619,279
Total Liabilities and Net Assets	$	698,380

See accompanying Notes to Financial Statements.

ONE N TEN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

	Unrestricted	Temporarily Restricted	Total
REVENUE			
Contributions and Donations, including In-Kinds of $286,855	$ 476,654	$ 588,834	$ 1,065,488
Special Event, Net of Direct Benefit Expenses of $100,260	187,190	-	187,190
Contracts and Fees	311,079	-	311,079
Other Revenue	1,168	-	1,168
Net Assets Released from Restriction	129,629	(129,629)	-
Total Revenue	1,105,720	459,205	1,564,925
EXPENSE			
Program Services	977,183	-	977,183
Management and General	114,431	-	114,431
Fundraising	18,328	-	18,328
Total Expense	1,109,942	-	1,109,942
CHANGE IN NET ASSETS	(4,222)	459,205	454,983
Net Assets - Beginning of Year	124,296	40,000	164,296
NET ASSETS - END OF YEAR	$ 120,074	$ 499,205	$ 619,279

See accompanying Notes to Financial Statements.

ONE N TEN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2015

		Support Services		
	Program Services	Management and General	Fundraising	Total
Salaries and Wages	$ 385,296	$ 42,564	$ 12,692	$ 440,552
Employee Related Expenses	54,312	15,520	1,190	71,022
Professional Fees	53,076	38,181	1,199	92,456
Travel	16,894	1,171	2,050	20,115
Communications	15,191	9,724	10	24,925
Facilities and Occupancy	174,009	5,009	666	179,684
Community Support	2,275	1,345	-	3,620
Group Support Costs	267,915	642	383	268,940
Meals and Entertainment	1,629	275	138	2,042
Depreciation	6,586	-	-	6,586
TOTAL EXPENSE	$ 977,183	$ 114,431	$ 18,328	$ 1,109,942

See accompanying Notes to Financial Statements.

ONE N TEN
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ 454,983
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	6,586
(Increase) Decrease in Operating Assets:	
Accounts Receivable	8,382
Pledges Receivable	(241,862)
Other Current Assets	(9,018)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	2,824
Accrued Payroll and Related Benefits	9,656
Other Liabilities	(8,838)
Net Cash Provided by Operating Activities	222,713
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Property and Equipment	(14,874)
NET INCREASE IN CASH AND CASH EQUIVALENTS	207,839
Cash and Cash Equivalents - Beginning of Year	139,172
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 347,011

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

one n ten (Organization) was incorporated in 1993 as a non-profit 501(c)(3) community-based agency dedicated to serving and assisting gay, lesbian, bisexual, transgender, and questioning youth in the metropolitan Phoenix area. The Organization's mission is "to serve LGBTQ youth and young adults; enhancing their lives by providing empowering social and service programs that promote self-expression, self-acceptance, leadership development and healthy life choices." The Organization provides services ranging from providing weekly discussion groups designed to cover a wide range of social, educational, health, and community issues to offering social networking opportunities appropriate for developing leadership skills. The services are delivered in a variety of formats. one n ten derives program funding from both private donations and contracts and fees.

The financial statements of one n ten have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

Net assets and revenues, gains, and losses are classified based on state and donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted

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

Temporarily Restricted

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.

Permanently Restricted

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Grants from governmental agencies which are restricted are reflected as unrestricted revenue since these funds are received and spent during the same year as permitted by accounting standards related to Accounting for Contributions Received and Contributions Made.

As of December 31, 2015, the Organization only had unrestricted and temporarily restricted net assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Support

Support is recognized when received. Support that is restricted by the donor/grantor is reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the support is recognized. All other donor restricted support is reported as increases in temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Support that is permanently restricted by the donor/grantor is reported as increases in permanently restricted net assets.

Cash

The Organization considers all cash and other highly liquid investments available for current use with an initial maturity of three months or less to be cash and cash equivalents. Cash and cash equivalents did not exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit.

Accounts Receivable and Pledges Receivable

The Organization uses the allowance method to account for uncollectible accounts receivable. The allowance is sufficient to cover both current and anticipated future losses. Uncollectible amounts are charged against the allowance account. Management estimated an allowance of $-0- based upon the Organization's experience.

Property and Equipment

Property and equipment with a cost greater than $1,000 are capitalized at historical cost, or estimated historical cost if actual historical cost is not available. Assets donated to the Organization are recorded at their estimated fair value at the time received. Depreciation on property and equipment is computed using the straight-line method over five years, the estimated useful life of the assets. Depreciation on leasehold improvements is computed using the straight-line method over the shorter of the estimated life of the assets or the lease term.

Deferred Rent

The Organization accounts for rent expense evenly over the term of the lease using the straight-line method. Unamortized deferred rent as of December 31, 2015, was $7,762.

Functional Allocation of Expenses

Salaries and related expenses are allocated based on job descriptions and the best estimates of management. Expenses, other than salaries and related expenses which are not directly identifiable by program or supporting service, are allocated based on the best estimates of management.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kinds

The Organization records in-kind donations for goods and services received in lieu of cash donations.

A summary of contributed goods and services for the year ended December 31, 2015, is as follows:

Program Services		
Professional Fees	$	5,640
Printing		3,000
Facilities and Occupancy		63,000
Food		33,000
Group Support Costs		171,215
Total		275,855
Direct Benefit Expenses, Netted with Special Event Revenue		
Printing		4,500
Audio Visual		6,500
Total		11,000
Total In-Kind Donations	$	286,855

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The Organization follows the accounting standard for uncertain tax positions. For the year ended December 31, 2015, the Organization recognized no liability for uncertain tax positions.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 15, 2016, the date the financial statements were available to be issued.

NOTE 2 PLEDGES RECEIVABLE

Pledges receivable are due as follows:

Year Ending December 31, 2015		
Due Within One Year	$	281,765
Due within One to Five Years		-
Total Pledges Receivable	$	281,765

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2015:

Leasehold Improvements	$	18,023
Furniture & Equipment		19,824
Less: Accumulated Depreciation		(16,054)
Total	$	21,793

NOTE 4 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are restricted for the following uses:

Homeless Youth Collaborative	$	55,793
Promise of a New Day (POND)		434,412
Future Years		9,000
Total	$	499,205

NOTE 5 OBLIGATIONS UNDER LEASES

Operating Lease

The Organization leases various equipment, program facilities, and office space under the provisions of noncancelable operating leases expiring through May 2017. Rental expense under the terms of the operating leases was $59,853 for the year ended December 31, 2015, which includes the cost of utilities and applicable taxes.

The future minimum rental payments required under the operating leases at December 31, 2015, is as follows:

Year Ending December 31,		
2016	$	66,710
2017		52,920
2018		16,630
Total Minimum Payments Required	$	136,260

NOTE 6 REVENUE AND RECEIVABLE CONCENTRATION

The Organization received approximately 34% of revenues from one donor for the year ended December 31, 2015.

Approximately 89% of the pledges receivable balance is due from one donor as of December 31, 2015.