2014
Financial Statements
With
Auditor's Letters

HOSPITAL HOSPITALITY HOUSE CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2014

(With Independent Auditor's Report Thereon)

HOSPITAL HOSPITALITY HOUSE CORPORATION
FINANCIAL STATEMENTS
DECEMBER 31, 2014

CONTENTS

PATTERSON, HARDEE & BALLENTINE, P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hospital Hospitality House Corporation

We have audited the accompanying financial statements of Hospital Hospitality House Corporation (a nonprofit organization) which comprise the statement of financial position as of December 31, 2014, 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 of 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 Hospital Hospitality House Corporation as of December 31, 2014, 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.

1889 General George Patton Drive, Suite 200 Franklin, TN 37067 phone: 615-750-5537 fax: 615-750-5543

www.phbcpas.com

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of contributions and supplemental schedule of special events on pages 13 and 14 are presented for purposes of additional analysis and are 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.

Patterson Hardee & Ballentine

July 10, 2015

HOSPITAL HOSPITALITY HOUSE CORPORATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014

ASSETS

Current Assets:		
Cash	$ 524,922	
Investments	26,795	
Accounts receivable	930	
Contributions receivable,		
net of allowance for doubtful accounts of $4,000	6,324	
Prepaid expenses	18,503	
Total current assets		$ 577,474
Property and Equipment, net		965,297
Assets Whose Use is Limited:		
Cash	246,226	
Contributions receivable	50,000	
Endowment	15,363	
		311,589
		$ 1,854,360

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	$ 33,115	
Accrued expenses	43,674	
Total current liabilities		$ 76,789
Net Assets:		
Unrestricted		1,465,982
Temporarily restricted	296,226	
Permanently restricted	15,363	
Restricted net assets		311,589
Total net assets		1,777,571
		$ 1,854,360

See accompanying notes to the financial statements.

HOSPITAL HOSPITALITY HOUSE CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENED DECEMBER 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public Support and Revenue:				
Contributions	$ 281,010	$ 51,200	$ -	$ 332,210
Special events	327,534	-	-	327,534
Total public support	608,544	51,200	-	659,744
Revenue:				
Guest services provided	236,226	-	-	236,226
Less: services provided at no charge	(159,820)	-	-	(159,820)
Guest services provided, net	76,406	-	-	76,406
Interest and investment income, net	3,100	-	600	3,700
In-kind revenue	42,000	-	-	42,000
Net assets released from restriction	25,000	(25,000)	-	-
Total revenue	146,506	(25,000)	600	122,106
Total support and revenue	755,050	26,200	600	781,850
Expenses:				
Program services	622,838	-	-	622,838
Management and general	119,099	-	-	119,099
Fundraising expenses	223,198	-	-	223,198
Total expenses	965,135	-	-	965,135
Increase (decrease) in net assets	(210,085)	26,200	600	(183,285)
Net assets - beginning of year	1,676,067	270,026	14,763	1,960,856
Net assets - end of year	$ 1,465,982	$ 296,226	$ 15,363	$ 1,777,571

See accompanying notes to the financial statements.

HOSPITAL HOSPITALITY HOUSE CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising Expenses	Total Expenses
Bad debt expense	$ -	$ -	$ 7,520	$ 7,520
Bank fees	651	-	766	1,417
Computer hardware and software	-	-	10,631	10,631
Depreciation	35,003	15,001	-	50,004
Equipment contracts	2,755	478	441	3,674
Food	395	-	-	395
Furnishings	3,257	-	-	3,257
In-kind expenses	42,000	-	-	42,000
Insurance	11,014	3,672	-	14,686
Leased employees (See Note 12)	138,183	80,887	117,961	337,031
Licenses and permits	177	265	-	442
Miscellaneous	-	249	-	249
Occupancy	293,531	-	-	293,531
Office supplies	1,680	1,731	1,680	5,091
Outreach	9,149	-	1,614	10,763
Postage	394	394	-	788
Printing	25	25	-	50
Professional development	-	394	-	394
Professional fees	6,550	6,550	-	13,100
Repairs and maintenance	24,745	2,750	-	27,495
Special events	-	-	81,419	81,419
Telephone	8,745	1,749	1,166	11,660
Utilities and occupancy	44,584	4,954	-	49,538
	$ 622,838	$ 119,099	$ 223,198	$ 965,135

See accompanying notes to the financial statements.

HOSPITAL HOSPITALITY HOUSE CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

Cash Flows From Operating Activities:		
Decrease in net assets		$ (183,285)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	$ 50,004	
Capital gains reinvested	(1,103)	
Realized gain on investment	(1,188)	
Unrealized gain on investment	(825)	
Interest received, net of investment fees	(103)	
Changes in:		
Contributions receivable	36,534	
Prepaid expenses	(915)	
Assets whose use is limited	(26,201)	
Accounts payable	3,872	
Accrued expenses	21,737	
Total adjustments		81,812
Net cash used in operating activities		(101,473)
Net decrease in cash		(101,473)
Cash - beginning of year		626,395
Cash - end of year		$ 524,922

See accompanying notes to the financial statements.

HOSPITAL HOSPITALITY HOUSE CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - Nature of Activities

In these notes, the terms "Organization", "HHH", "we", "us" or "our" mean the Hospital Hospitality House Corporation. Since opening in 1974, we have provided over 425,000 nights of lodging, meals and other supportive services to patients and families, serving guests from all 95 counties in Tennessee, all 50 states in the U.S. and 39 foreign countries. We serve all area hospitals - including Centennial, Children's, Metro General, St. Thomas Midtown (formerly Baptist), St Thomas West, Women's & Children's at Centennial, Vanderbilt and the VA. We were the first House of its kind in the United States and we continue to be a model for hospitality houses opening around the country.

Our mission is to be a home away from home for patients and caregivers seeking medical treatment in Nashville hospitals by providing lodging, meals and other supportive services.

Overview of House Program Services

The Residence

We now serve 35 families each night, providing nearly 12,775 room nights annually. The average length of stay has increased dramatically to 26 nights (22 nights in standard rooms and 66 nights in Walmart House). Our number of families reached per year has dropped due to the increased length of stay.

We provide all meals and snacks, free laundry facilities, internet access, private rooms and baths, and private phone lines with voicemail. Our goal is to eliminate as much stress as possible so that patients and caregivers can remain focused on what is truly important.

The HHH Walmart House

Opened in March 2009 as part of our residential program, the HHH Walmart House offers eight apartments for patients and families with stays of thirty days or longer in Nashville's hospitals.

The HHH Walmart House provides a combined sense of privacy and community and creates an inviting, affordable, and accommodating atmosphere for family and friends to visit, relieving stress and loneliness. This environment also helps families with long-term stays maintain a greater sense of normalcy and day-to-day function. Families in The HHH Walmart House are encouraged and welcomed to use the dining, kitchen, and laundry facilities in our main residence. They are followed and supported by our staff and volunteers just like any of our families.

Day Services

For those caregivers who prefer to remain at the hospital or for the caregivers we unfortunately turn away each day due to lack of space, we offer day services programs. Guests come to shower, do laundry, rest in our lounge, and have a bite to eat. This brief respite from the hospital rejuvenates caregivers while meeting their most basic needs.

Partner Hotels

We work with fourteen local hotels that provide respite nights for families at an extremely low medical rate once our rooms are filled each night. If a family cannot afford the lowered rate, we will cover the cost to let the family rest.

NOTE 1 - Nature of Activities (continued)

Overview of House Program Services

Waiting Room Adoption

We adopt over 25 waiting rooms at local hospitals and clinics, including Centennial, Metro General, St Thomas Midtown, St Thomas West, Vanderbilt and the VA, providing baskets stocked with toiletries, snacks, games, magazines and other items waiting friends and families may need. In 2010, we expanded to outlying hospitals, including Southern Hills and Hendersonville Medical Center. We also provide "Overnight Bags" packed with toiletries and supplies for those caregivers staying overnight in hospital waiting rooms and "HHH Activity Bags" for children waiting with family members. These bags provide child-friendly snacks and activities such as coloring books, puzzles, etc. In 2014, we reached approximately 50,000 people through this program.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, our net assets and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations, which may or will be met, either by our actions and/or by the passage of time. Restrictions fulfilled in the same accounting period in which the contributions are received are reported in the Statement of Activities as unrestricted.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations which require the assets to be permanently maintained. Generally, the donors of these assets permit us to use all or part of the income earned and any related investments for general or specific purposes.

Revenue

We receive contributions from foundations, congregations, corporations, hospitals, grantors and individuals. We recognize this revenue as it is received or promised to us in accordance with generally accepted accounting principles for non-profit organizations. We also receive revenues from guests who stay in our residence and partner hotels. Fees are based on the family's ability to pay and often there is no charge.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, we consider cash equivalents to be items that have an original maturity date of ninety days or less from the date of issuance or are liquid investments such as money market funds. At December 31, 2014, we had $41,317 in money market funds, which is included in cash. As of December 31, 2014, we had no cash equivalents.

NOTE 2 - Summary of Significant Accounting Policies (continued)

Contributions Receivable

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give are recorded when the promises are made. Unconditional promises to give due in the next year are reflected as current contributions receivable to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term contributions receivable and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. We use the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and our analysis of specific promises made.

Investments

We use a framework for measuring fair value and disclosing fair values. We define fair value at the price which would be received to sell an asset in an orderly transaction between market participants at the measurement date. We use this framework for all assets and liabilities measured and reported on a fair value basis and enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires each asset and liability carried at fair value be classified into one of the following categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities
- Level 2 - Observable market based inputs or unobservable inputs corroborated by market data
- Level 3 - Unobservable inputs that are not corroborated by market data

All of our investments are based on level 1 inputs at the active market price as of December 31, 2014.

Prepaid expenses

Prepaid expenses consist of insurance premiums paid by us in advance.

Property and Equipment

Property and equipment are recorded at cost, or, if donated, at the estimated fair market value at the date of donation. Our capitalization policy is to capitalize any expenditure over $1,000 for property and equipment. Depreciation is provided utilizing the straight-line method over the estimated useful lives of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred.

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. At December 31, 2014, no assets were considered to be impaired.

Functional Allocation of Expenses

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

Advertising

Advertising is expensed as incurred.

NOTE 2 - Summary of Significant Accounting Policies (continued)

Income Taxes

We are a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code, and are classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying financial statements. We do not believe there are any uncertain tax positions. Further, we do not believe that we have any unrelated business income, which would be subject to federal taxes. We are not subject to examination by U.S. federal or state taxing authorities for years before 2011.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Fair Values of Financial Instruments

The carrying values of current assets, current liabilities and restricted cash approximate fair values due to short maturities of these instruments. The carrying value of long-term contributions receivable approximates fair value within an insignificant amount.

NOTE 3 - Contribution Receivable

Contributions receivable consisted of the following at December 31, 2014:

Due in less than one year	$	60,324
Less: allowance for doubtful accounts		(4,000)
Net contribution receivable		56,324
Less: restricted contribution receivable		(50,000)
	$	6,324

NOTE 4 - Investments

At December 31, 2014, we held the following investment, listed at fair market value as of that date:

Marketable equity securities	$	26,795

The marketable securities we held consisted of various publicly traded stocks and various real estate investment trusts. Investment income includes interest, dividends, changes in fair market value and realized gains and losses.

Unrestricted investment income (loss) consisted of the following for the year ended December 31, 2014:

Interest and dividend income		1,585
Unrealized gain		1,565
Investment fees		(50)
Investment income, net	$	3,100

HOSPITAL HOSPITALITY HOUSE CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 - Property and Equipment

Property and equipment consisted of the following at December 31, 2014:

Furniture, fixtures and equipment	$	93,944
Land		137,400
Buildings and improvements		1,307,460
		1,538,804
Less: accumulated depreciation		(573,507)
	$	965,297

NOTE 6 - Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of the following at December 31, 2014:

Capital Campaign	$	194,383
Ayers Foundation		50,000
First Presbyterian		1,200
Capital Support		50,000
Christmas fund		643
	$	296,226

NOTE 7 - Permanently Restricted Net Assets

Permanently restricted net assets consisted of the following at December 31, 2014:

Endowment (See Note 9)	$	15,363

NOTE 8 - Leases

We lease apartments at the Walmart house and various office equipment under lease arrangements classified as operating leases. We renewed our lease for the Walmart house through December 2015. Our lease for the office equipment expires in August 2016. We also rented seventeen rooms at a local extended stay hotel, on a week to week basis, as a part of our regular residential program. Beginning in 2015, we are no longer renting rooms at a local extended stay hotel.

Total rent expense under these leases was $293,531 during the year ended December 31, 2014.

A schedule of future minimum lease payments required under all noncancelable operating leases as of December 31, 2014, follows:

For the year ending December 31,		
2015	$	101,040
2016		1,260
Total	$	102,300

NOTE 9 - Endowment

At December 31, 2014, the Nashville Area Community Foundation, Inc., (the Foundation) a non-profit organization, is in control of an endowment fund for us. The endowment has been recorded as permanently restricted. The Foundation has ultimate authority and control over all property of the fund and the income derived there from. The endowment is considered a reciprocal transfer and is therefore recorded as an asset on our Statement of Financial Position.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

Since the Foundation has control over the fund and the earnings, we have not established an investment policy for the fund nor have we established policies for expenditures from the fund. We are not aware of any deficiencies in the fair value of assets in the fund as compared to the required amounts by the donors. We recognize contribution income when the Foundation makes a distribution to us. We recognize investment earnings and fees in the Statement of Activities, as they are reported to us by the Foundation.

The following is the balance and activity reported in our financial statements for the year ended December 31, 2014:

Beginning balance		$ 14,763
Interest income	$ 269	
Realized gain	1,188	
Unrealized loss	(740)	
Administrative fees	(60)	
Investment fees	(57)	
		600
Ending Balance		$ 15,363

NOTE 10 - Donated Services and Materials

We receive contributions of household items, which we consume in the course of fulfilling our mission. We record these contributions as in-kind revenue and expenses in accordance with the criteria of generally accepted accounting principles. During the year we recorded $42,000 of in-kind revenue as follows: $12,637 in donated food and household items, $2,025 in donated linen services, and $27,338 in donated repair and maintenance work.

NOTE 11 - Concentrations of Credit Risk

At December 31, 2014, we owed 22% of all outstanding accounts payable to one vendor and one donor pledged 83% of all outstanding contribution receivables.

NOTE 12 - Leased Employees

We lease all employees from Vanderbilt University, which provides all payroll related benefits and services. Total employee lease expense for the year ended December 31, 2014, was $337,031.

NOTE 13 - Subsequent Events

We have evaluated events subsequent to the year ending December 31, 2014. As of July 10, 2015, the date that the financial statements were available to be issued, no events subsequent to the balance sheet date are considered necessary to be included in the financial statements for the period ended December 31, 2014.

HOSPITAL HOSPITALITY HOUSE CORPORATION
SUPPLEMENTAL SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Unrestricted:				
Individuals	$	51,332		
Congregations		16,382		
Corporations		14,950		
Clubs and organizations		10,886		
Foundations		177,430		
Hospitals		10,000		
Other		30		
Total unrestricted			$	281,010
Temporarily restricted:				
Foundations				51,200
Total contributions			$	332,210

HOSPITAL HOSPITALITY HOUSE CORPORATION
SUPPLEMENTAL SCHEDULE OF SPECIAL EVENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Revenue	Expenses	Net
Patrons' Luncheon	$ 209,612	$ 37,727	$ 171,885
Rock the House	66,721	21,380	45,341
Golf Tournament	51,201	22,312	28,889
Total	$ 327,534	$ 81,419	$ 246,115

PATTERSON, HARDEE & BALLENTINE, P.C.
Certified Public Accountants

July 10, 2015

To the Board of Directors
Hospital Hospitality House Corporation

We have audited the financial statements of Hospital Hospitality House Corporation for the year ended December 31, 2014, and have issued our report thereon dated July 10, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 23, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Hospital Hospitality House Corporation are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements was:

> The disclosure in Note 2 to the financial statements explaining the basis of allocation of functional expenses into their appropriate functional categories.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 10, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Hospital Hospitality House Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Patterson Hardee & Ballentine

Hospital Hospitality House Corporation
Schedule of Uncorrected Misstatements
December 31, 2014

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J), or Projected (P)	Cause	W/P Reference	Financial Statement Effect—Amount of Over (Under) Statement of: Total Assets	Total Liabilities	Net Assets	Revenues	Expenses	Change in Net Assets	Working Capital
Accrued Expenses	F	Expensed in 2015	W-1		-$2,285			-$2,285	$2,285	-$2,285
Credit Card Accrual	F	Expensed in 2015	W-1		-$1,931	$0	$0	-$1,931	$1,931	-$1,931
Total				$0	-$4,216	$0	$0	-$4,216	$4,216	-$4,216
Less Audit Adjustments Subsequently Booked									$0	
Unadjusted AD—Current Year (Iron Curtain Method)				$0	-$4,216	$0	$0	-$4,216	$4,216	-$4,216
Effect of Unadjusted AD—Prior Years									$0	
Combined Current and Prior Year AD (Rollover Method)				$0	-$4,216	$0	$0	-$4,216	$4,216	-$4,216
Financial Statement Caption Totals									$0	
Current Year AD as % of FS Captions (Iron Curtain Method)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Current and Prior Year AD as % of FS Captions (Rollover Method)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Qualitative Factors: Describe qualitative factors that entered into your evaluation of whether uncorrected accumulated misstatements are material, individually or in the aggregate, in relation to specific accounts and disclosures and to the financial statements as a whole, and the reasons why.

○ do ◉ do not

Conclusion: Based on the results of the evaluation performed above, as well as the consideration of qualitative factors, uncorrected audit differences, individually and in the aggregate, cause the financial statements taken as a whole to be materially misstated.