

16:10 NOW & THEN, INC.

**INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

**16:10 NOW & THEN, INC.
INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS**

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To the Board of Directors of
16:10 Now & Then, Inc.
306 Jackson St
Murfreesboro, TN 37130

We have audited the financial statements of 16:10 Now & Then, Inc., which comprise the statement of financial position as of December 31, 2022 and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of 16:10 Now & Then, Inc. as of December 31, 2022 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 16:10 Now & Then, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 16:10 Now &

Then, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 16:10 Now & Then, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 16:10 Now & Then, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls related matters that we identified during the audit.

SPD CPA Firm

SPD CPA Firm
Nashville, TN
November 6, 2023

16:10 NOW & THEN, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 22,901
Total Current Assets	<u>22,901</u>

NONCURRENT ASSETS

Vehicle	<u>5,000</u>
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TOTAL ASSETS	<u>\$ 27,901</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 1,065
Total Current Liabilities	<u>1,065</u>

NONCURRENT LIABILITIES

TOTAL LIABILITIES	1,065
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NET ASSETS

Net Assets Without Donor Restrictions	<u>26,836</u>
Total Net Assets	<u>26,836</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 27,901</u>
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The accompanying notes are an integral part of these financial statements.

16:10 NOW & THEN, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Revenue and support

Contributions	\$ 91,574
Program Service Fees - Venue Volunteering Program	<u>778,169</u>
Total Revenue and Support	<u>869,743</u>

Expenses

Program Expenses	772,842
General and Administrative Expenses	<u>62,956</u>
Total Expenses	<u>835,798</u>

Increase in Net Assets	33,945
Net Assets, Beginning of Year	<u>(7,109)</u>
Net Assets, end of year	<u><u>\$ 26,836</u></u>

The accompanying notes are an integral part of these financial statements.

16:10 NOW & THEN, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash flows from operating activities

Increase in net assets	\$ 33,945
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Increase in accounts payable	<u>1,065</u>
Net cash provided by operating activities	<u>35,010</u>

Cash flows from investing activities

Purchase of vehicle	<u>(5,000)</u>
	<u>(5,000)</u>

Cash flows from financing activities

Principal Payments on SBA loan	<u>(9,000)</u>
	<u>(9,000)</u>

Net increase in cash and cash equivalents	21,010
Cash and cash equivalents, beginning of year	<u>1,891</u>
Cash and cash equivalents, end of year	<u><u>\$ 22,901</u></u>

Interest Paid	<u><u>\$ 565</u></u>
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The accompanying notes are an integral part of these financial statements.

16:10 NOW & THEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Expenses	General and Administrative	Total
Salaries and Wages	\$ -	\$ 27,854	\$ 27,854
Advertising and Marketing	-	768	768
Bank Service Charges	-	381	381
Car and Truck Expenses	-	8,586	8,586
Conferences and Training	-	816	816
Contributions	-	4,020	4,020
Dues and Memberships	-	500	500
Insurance	-	3,493	3,493
Independent Contractors	322,360	-	322,360
Interest	-	565	565
Meals and Entertainment	-	10,894	10,894
Office Supplies and Software	-	445	445
Payroll Service Fees	-	1,421	1,421
Payroll Taxes	-	2,131	2,131
Postage and Shipping	-	432	432
Financial Assistance to Participants	435,388	-	435,388
Business Taxes and Licenses	-	187	187
Travel	12,349	-	12,349
Utilities	-	463	463
Volunteer Reimbursements	2,745	-	2,745
Total expenses	<u>\$ 772,842</u>	<u>\$ 62,956</u>	<u>\$ 835,798</u>

The accompanying notes are an integral part of these financial statements.

16:10 NOW & THEN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1---NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

16:10 Now & Then, Inc. (the “Organization”) was established on September 8, 2016 in Murfreesboro, Tennessee. The Organization was founded to support youth and families in the Middle Tennessee area with counseling, career readiness, community service-learning opportunities, and other enriching programs that meet today’s young people where they are.

Our Services include our Volunteer Program, Food Pantry Program, Financial Assistance Resource Program and Mobile Food Truck Program.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly, revenue is recognized when earned, support and promises to give are recognized when received, and expenses are recorded when incurred.

The financial statement presentation follows the recommendations of the Financial Accounting Standard Board’s Accounting Standard Codification 958 (FASB ASC 958). Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions, and net assets without donor restrictions.

Financial position and activities are classified based on the existence or absence of donor restrictions as follows:

Net Assets without donor restrictions — Net assets that are not restricted by purpose or time either temporarily or perpetually by explicit donor stipulations or by law. Board designation does not constitute a donor restriction.

Net Assets with donor restrictions — Net assets that are restricted by purpose or time either temporarily or perpetually by explicit donor stipulations or by law.

At December 31, 2022, the Organization had no net assets with donor restrictions.

Donated Services

The Organization receives a substantial amount of service hours donated by volunteers in carrying out the Organization's functions. No amounts have been reflected in the financial statements for these services since they do not meet the criteria for recognition under the FASB ASC 958.

16:10 NOW & THEN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

**NOTE 1---NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Revenue, Support, and Expenses

The Organization receives contributions from corporations and individual donors and recognizes revenue when cash or a firm promise to give is obtained.

Contributions received are measured at their fair value and are reported as an increase in net assets. 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, or if they are designated as support for future periods. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Income Taxes

The Organization is a tax-exempt entity under Section 501 (c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax is considered necessary.

Fixed Assets

Disbursements for property and equipment, consisting currently as vehicles, are reflected in the statement of financial position at cost. Donated assets with donor stipulations as to specific purpose(s) are reported as restricted contributions until it is placed in the service for which it is restricted. Depreciation, which is reflected as an expense in the statement of activities, is computed on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Machinery and equipment	3—10

16:10 NOW & THEN, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

**NOTE 1---NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Functional Expenses

Management allocates expenses on a functional basis among its various programs and general and administrative expenses. Expenses that can be identified with a specific program are allocated directly to their natural expenditure classification. Other expenses that are common to several programs are allocated based on various relationships.

NOTE 2---PROGRAM SERVICES

The Organization partners with venues in the Middle Tennessee area to provide volunteering opportunities. As of December 31, 2022, the Organization had generated \$778,169 from partnering with these two venues.

As part of the income generated from this partnership, the Organization is able to provide specific financial assistance to its clients in need of emergency assistance such as payments for utilities, rent, mortgage. The Organization also provides assistance for a number of other items that include: food, clothing, uniforms, gas, transportation, tuition assistance and scholarships. As of December 31, 2022, The Organization's expense for its financial assistance program was \$435,388.

NOTE 3---SUBSEQUENT EVENTS

There were no subsequent events requiring disclosure as of November 6, 2023, the date management evaluated such events. The financial statements were available to be issued on November 6, 2023.