

Public Radio, Inc.

Baton Rouge, Louisiana

Financial Statements and Supplementary Information

Years Ended December 31, 2015 and 2014

William D. Mercer, CPA

A PROFESSIONAL ACCOUNTING CORPORATION

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WILLIAM D. MERCER, CPA, CGMA

A PROFESSIONAL ACCOUNTING
CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Public Radio, Inc.
Baton Rouge, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of Public Radio, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years 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

My responsibility is to express an opinion on these consolidated financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits 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, I express no 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Public Radio, Inc. as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audits were conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise Public Radio, Inc.'s basic financial statements. The schedules of functional expenses on pages 20-23 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of functional expenses on pages 20-23 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of functional expenses on pages 20-23 are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Baton Rouge, Louisiana
June 20, 2016

WILLIAM D. MERGER, CPA (NAC)

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION

December 31,

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
CURRENT:		
Cash and cash equivalents	\$ 122,241	\$ 82,082
Grants receivable	34,360	39,449
Underwriting receivable	5,583	48,497
Unconditional promises to give	88,386	80,278
Prepaid expenses	-	15,895
Marketable securities, at market	<u>68,754</u>	<u>79,581</u>
Total Current Assets	<u>319,324</u>	<u>345,782</u>
PROPERTY AND EQUIPMENT:		
Broadcast equipment	692,535	687,307
Buildings	142,698	142,698
Furniture and fixtures	16,786	16,786
Land	<u>129,470</u>	<u>129,470</u>
	981,489	976,261
Less accumulated depreciation	<u>714,529</u>	<u>669,037</u>
Net Property and Equipment	<u>266,960</u>	<u>307,224</u>
TOTAL ASSETS	\$ <u>586,284</u>	\$ <u>653,006</u>

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

	<u>2015</u>	<u>2014</u>
<u>LIABILITIES</u>		
CURRENT:		
Accounts payable	\$ <u>43,536</u>	\$ <u>26,434</u>
 TOTAL LIABILITIES (all current)	 <u>43,536</u>	 <u>26,434</u>
 <u>NET ASSETS</u>		
Permanently restricted	-	-
Temporarily restricted	52,735	52,985
Unrestricted	<u>490,013</u>	<u>573,587</u>
 TOTAL NET ASSETS	 <u>542,748</u>	 <u>626,572</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u><u>586,284</u></u>	 \$ <u><u>653,006</u></u>

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

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

Year Ended December 31, 2015

	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Totals</u>
REVENUES:			
Membership income	\$ -	\$ 412,023	\$ 412,023
Underwriting	-	373,344	373,344
Grants	109,867	-	109,867
Donations	7,440	26,070	33,510
Event income	-	43,613	43,613
Investment income	2	(826)	(824)
Miscellaneous income	-	542	542
Net assets released from restrictions	(<u>117,559</u>)	<u>117,559</u>	<u>-</u>
Total Revenues	(<u>250</u>)	<u>972,325</u>	<u>972,075</u>
EXPENSES:			
Program services	<u>-</u>	<u>442,850</u>	<u>442,850</u>
Supporting services:			
Membership development	-	160,868	160,868
Underwriting solicitation	-	299,492	299,492
Management and general	<u>-</u>	<u>152,689</u>	<u>152,689</u>
Total supporting services	<u>-</u>	<u>613,049</u>	<u>613,049</u>
Total Expenses	<u>-</u>	<u>1,055,899</u>	<u>1,055,899</u>
Change in net assets	(250)	(83,574)	(83,824)
NET ASSETS, beginning of year,	<u>52,985</u>	<u>573,587</u>	<u>626,572</u>
NET ASSETS, end of year	\$ <u><u>52,735</u></u>	\$ <u><u>490,013</u></u>	\$ <u><u>542,748</u></u>

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

Year Ended December 31, 2014

	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Totals</u>
REVENUES:			
Membership income	\$ -	\$ 427,494	\$ 427,494
Underwriting	-	384,322	384,322
Grants	125,170	115	125,285
Donations	-	43,146	43,146
Investment income	1	6,739	6,740
Miscellaneous income	-	786	786
Net assets released from restrictions	(<u>128,830</u>)	<u>128,830</u>	<u>-</u>
Total Revenues	(<u>3,659</u>)	<u>991,432</u>	<u>987,773</u>
EXPENSES:			
Program services	<u>-</u>	<u>430,593</u>	<u>430,593</u>
Supporting services:			
Membership development	-	153,010	153,010
Underwriting solicitation	-	292,027	292,027
Management and general	<u>-</u>	<u>157,450</u>	<u>157,450</u>
Total supporting services	<u>-</u>	<u>602,487</u>	<u>602,487</u>
Total Expenses	<u>-</u>	<u>1,033,080</u>	<u>1,033,080</u>
Change in net assets	(3,659)	(41,648)	(45,307)
NET ASSETS, beginning of year,	<u>56,644</u>	<u>615,235</u>	<u>671,879</u>
NET ASSETS, end of year	\$ <u><u>52,985</u></u>	\$ <u><u>573,587</u></u>	\$ <u><u>626,572</u></u>

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

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS

Years Ended December 31,

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 834,069	\$ 821,733
Cash received from donors and grantors	178,183	168,431
Interest and dividends received	4,403	4,202
Other operating receipts	542	786
Cash paid to suppliers and employees	(977,410)	(1,003,838)
Net cash used by operating activities	<u>39,787</u>	<u>(8,686)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash proceeds from sales of marketable securities	10,000	20,835
Cash payments for purchase of marketable securities	(4,400)	-
Cash payments for purchase of property and equipment	(5,228)	(8,577)
Net cash provided by investing activities	<u>4,772</u>	<u>12,258</u>
NET INCREASE IN CASH	40,159	3,572
CASH AND CASH EQUIVALENTS, beginning of year	<u>82,082</u>	<u>78,510</u>
CASH AND CASH EQUIVALENTS, end of year	\$ <u><u>122,241</u></u>	\$ <u><u>82,082</u></u>

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

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A ó SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Public Radio, Inc. (the Organization) is a nonprofit Louisiana corporation, which operates a noncommercial public radio station under the call letters WRKF.

Method of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation

Net assets of the Organization and changes therein are classified and reported as follows:

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

Temporarily restricted net assets ó Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets ó 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.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization regularly assesses these estimates and, while actual results could differ, management believes that the estimates are reasonable.

Significant estimates included in or affecting the presentation of the accompanying financial statements include estimated useful lives of property and equipment.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Marketable securities

Investments in marketable securities are stated at fair value based on quoted market prices within active markets. All gains and investment income are unrestricted.

Property and equipment

All property and equipment is stated at cost. Expenditures for maintenance, repairs, and minor renewals are expensed as incurred. Major expenditures for renewals and betterments are capitalized.

As a general rule, when items are retired or otherwise disposed, accumulated depreciation is reduced by the accumulated amount of depreciation applicable thereto. Any gain or loss from such retirement or disposal is credited or charged to income in the year of the disposal.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unconditional promises to give

The Organization engages in annual fundraising campaigns manifesting by offering some special radio programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Organization for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by unconditional promises to give received from responding listeners. Contributions and unconditional promises to give are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Organization. This usage is consistent with appeals for contributions and unconditional promises to give. Uncollected promise to give that are not enforceable against contributors are not shown as assets on the statement of financial position.

Depreciation and amortization

Depreciation is computed on the straight-line method over the estimated useful lives of the various classes of depreciable assets, ranging from five to seven years.

The useful lives are estimated based on historical experience with similar assets, taking into account anticipated technological or other changes. The Organization periodically reviews these lives relative to physical factors, economic factors, and industry trends. If there are changes in the planned use of property and equipment or if technological changes occur more rapidly than anticipated, the useful lives assigned to those assets may be shortened, resulting in the recognition of increased depreciation and amortization expense in future periods.

Revenue recognition

The Organization reports contributions as restricted support if they are received with donor or grantor restrictions that limit the use of the contributions. When a restriction expires (i.e., when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions are considered to be available for unrestricted use and recorded as such, unless specifically restricted by the donor.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

The Organization expenses the production costs of advertising the first time the advertising takes place, except for direct response advertising, which is capitalized and amortized over its expected period of future benefits. As of December 31, 2015 and 2014, the Organization had no advertising classified as assets, and all advertising was expensed as incurred.

Income taxes

The Organization is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income tax under Section 121(5) of Title 47 of the Louisiana Revised Statutes. Accordingly, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

The Organization's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

Functional allocation of expenses

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

Subsequent events

In preparing the accompanying financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through June 16, 2016, the date the financial statements were available to be issued.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE B ó CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2015 and 2014, were as follows:

	<u>2015</u>	<u>2014</u>
Cash on hand	\$ -	\$ -
Cash in bank ó checking / savings	115,989	75,581
Cash portion of marketable securities	939	939
Cash held by Baton Rouge Area Foundation	<u>5,313</u>	<u>5,562</u>
	\$ <u><u>122,241</u></u>	\$ <u><u>82,082</u></u>

As of December 31, 2015 and 2014, the Organization had funds held by Baton Rouge Area Foundation, a non-profit organization located in Baton Rouge, Louisiana, who allows nonprofit organizations to set up funds for their own benefit. Baton Rouge Area Foundation serves as a fiscal agent on behalf of the nonprofit organization for these funds.

NOTE C ó MARKETABLE SECURITIES

The Organization invests in equity mutual funds, equity securities, and corporate debt securities. Fair values for investments are determined by reference to quoted market values for similar investments, yield curves, and other relevant information. There were no changes in valuation techniques for the years ended December 31, 2015 and 2014. The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the years ended December 31, 2015 and 2014.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE C 6 MARKETABLE SECURITIES (continued)

Fair value measurements for investments reported at fair value on a recurring basis as of December 31, 2015, were based on:

	Quoted Prices in Active Markets for Identical Assets (Level 1)
Stocks	\$ 1,801
Stock funds	32,320
Bond funds	34,633
Short-term funds	<u>-</u>
	\$ <u>68,754</u>

Fair value measurements for investments reported at fair value on a recurring basis as of December 31, 2014, were based on:

	Quoted Prices in Active Markets for Identical Assets (Level 1)
Stocks	\$ 1,617
Stock funds	39,653
Bond funds	38,311
Short-term funds	<u>-</u>
	\$ <u>79,581</u>

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE C 6 MARKETABLE SECURITIES (continued)

A summary of investment return in the statement of activities for the year ended December 31, 2015 and 2014, is as follows:

	<u>2015</u>	<u>2014</u>
Interest and dividend income	\$ 4,403	\$ 4,202
Net realized and unrealized gains and losses	(<u>5,227</u>)	<u>2,538</u>
	<u>\$(<u>824</u>)</u>	<u>\$ 6,740</u>

At December 31, 2015, the cost of the investments was \$ 62,899 and the gross unrealized gain was \$5,855. At December 31, 2014, the cost of the investments was \$ 66,192 and the gross unrealized gain was \$13,389.

NOTE D 6 LEASE COMMITMENTS

During the year ended December 31, 2014, the Organization entered into a three-year agreement with another nonprofit organization located in Baton Rouge, Louisiana, for the lease of offsite antenna space for its radio tower. This lease is due to expire in December 2016. Rent expense under this lease for each of the years ended December 31, 2015 and 2014, totaled \$ 6,000.

Future minimum payments under this lease as of December 31, 2015, were as follows:

<u>Year ended</u> <u>December 31,</u>	
2016	\$ 6,612
2017	-
2018	-
2019	-

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE D 6 LEASE COMMITMENTS (continued)

Additionally, for the years ended December 31, 2015 and 2014, the Organization rented certain equipment under short-term leases. Rent expense under these leases totaled \$ 4,860 and \$ 3,704, respectively.

NOTE E 6 SUPPLEMENTARY CASH FLOW INFORMATION

The Organization had no cash payments for interest and income taxes for the years ended December 31, 2015 and 2014. Additionally, the Organization had no noncash investing and financing activities for the years ended December 31, 2015 and 2014.

A reconciliation of cash provided by operating activities for the years ended December 31, 2015 and 2014, is as follows:

	<u>2015</u>	<u>2014</u>
Change in net assets	\$(83,824)	\$(45,307)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	45,492	45,415
Realized (gains) losses on marketable securities	(2,328)	(972)
Unrealized (gains) losses on marketable securities	7,555	(1,566)
(Increase) decrease in:		
Grants receivable	5,089	3,661
Underwriting receivable	42,914	(3,639)
Unconditional promises to give	(8,108)	9,895
Prepaid expenses	15,895	16,534
Increase (decrease) in:		
Accounts payable	<u>17,102</u>	<u>(32,707)</u>
Net cash provided (used) by operating activities	\$ <u>39,787</u>	\$ <u>(8,686)</u>

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE F 6 TAX DEFERRED ANNUITY PLAN

In December 2008, the Organization established a deferred compensation plan qualified under Section 401(k) of the Internal Revenue Code. The plan covers full-time employees of the Organization. The Organization does not make contributions to the plan. Employees may elect to make deferrals into the plan up to the maximum amount allowed by the Internal Revenue Code.

NOTE G 6 SIGNIFICANT CONCENTRATIONS OF RISK

The Organization's investment policy objectives are to provide sufficient liquidity to meet its cash needs, to maximize the return on available capital, and to assure the safety of the funds by investing only in high quality instruments with a diversification of issues.

The Organization's largest receivables are for grants due from corporations, foundations, and quasi-governmental agencies. At December 31, 2015 and 2014, a total of \$ 34,360 and \$ 39,449, respectively, was due from the Corporation for Public Broadcasting and the Community Fund for the Arts.

Unconditional promises to give and underwriting receivables are due from entities and individuals located in the geographic area served by the Organization's broadcast signal. At December 31, 2015 and 2014, unconditional promises to give and underwriting receivable totaled \$ 93,969 and \$ 128,775, respectively.

SUPPLEMENTARY INFORMATION

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended December 31, 2015

	Program services			
	Programming and <u>Production</u>	<u>Broadcasting</u>	Program <u>Information</u>	<u>Totals</u>
Advertising	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Commissions	-	-	-	-
Computer expense	-	13,141	-	13,141
Contract labor	-	12,328	-	12,328
Contract services	-	2,699	-	2,699
Depreciation	-	43,964	-	43,964
Dues and subscriptions	-	-	-	-
Engineering services	-	28,625	-	28,625
Event expense	-	-	-	-
Equipment	-	429	-	429
Insurance	-	9,832	-	9,832
Membership expense	-	-	-	-
Miscellaneous	-	-	-	-
Payroll expense	-	10,828	-	10,828
Postage	-	-	3,026	3,026
Professional services	-	-	-	-
Programming	193,130	-	-	193,130
Rent	-	-	435	435
Repairs and maintenance	-	1,508	-	1,508
Salaries	-	112,340	-	112,340
Supplies	-	599	-	599
Telephone	-	2,402	35	2,437
Travel and entertainment	-	-	-	-
Utilities	-	7,420	109	7,529
Totals	\$ <u>193,130</u>	\$ <u>246,115</u>	\$ <u>3,605</u>	\$ <u>442,850</u>

See auditor's report on supplementary information.

	Supporting services			
	Membership Development	Underwriting	Management and General	Totals
Advertising	\$ 624	\$ -	\$ -	\$ 624
Bank charges	-	-	15,514	15,514
Commission	-	88,438	-	88,438
Computer expense	-	-	1,580	1,580
Contract labor	-	-	-	-
Contract services	19,403	2,699	5,397	27,499
Depreciation	-	-	1,529	1,529
Dues and subscriptions	-	-	3,627	3,627
Engineering services	-	-	-	-
Event expense	19,329	-	-	19,329
Equipment	-	-	-	-
Insurance	5,670	14,518	7,885	28,073
Membership expense	33,789	-	-	33,789
Miscellaneous	-	19	434	453
Payroll expense	6,244	15,988	7,223	29,455
Postage	3,026	-	1,513	4,539
Professional services	-	-	6,450	6,450
Programming	-	-	-	-
Rent	435	-	9,480	9,915
Repairs and maintenance	1,149	-	1,149	2,298
Salaries	64,779	165,877	74,935	305,591
Supplies	-	-	1,967	1,967
Telephone	1,570	2,923	1,490	5,983
Travel and entertainment	-	-	7,913	7,913
Utilities	4,850	9,030	4,603	18,483
Totals	\$ <u>160,868</u>	\$ <u>299,492</u>	\$ <u>152,689</u>	\$ <u>613,049</u>

See auditor's report on supplementary information.

PUBLIC RADIO, INC.
Baton Rouge, Louisiana

SCHEDULE OF FUNCTIONAL EXPENSES (continued)

Year Ended December 31, 2014

	Program services			
	Programming and <u>Production</u>	<u>Broadcasting</u>	Program <u>Information</u>	<u>Totals</u>
Advertising	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Commissions	-	-	-	-
Computer expense	-	9,500	-	9,500
Contract labor	-	21,178	-	21,178
Contract services	-	5,069	-	5,069
Depreciation	-	43,886	-	43,886
Dues and subscriptions	-	-	-	-
Engineering services	-	27,030	-	27,030
Event expense	-	-	-	-
Equipment	-	685	-	685
Insurance	-	11,136	-	11,136
Membership expense	-	-	-	-
Miscellaneous	-	-	-	-
Payroll expense	-	9,933	-	9,933
Postage	-	-	2,739	2,739
Professional services	-	-	-	-
Programming	161,873	-	-	161,873
Rent	-	-	894	894
Repairs and maintenance	-	13,886	-	13,886
Salaries	-	107,406	-	107,406
Supplies	-	549	-	549
Telephone	-	6,379	93	6,472
Travel and entertainment	-	-	-	-
Utilities	-	8,237	120	8,357
Totals	\$ <u>161,873</u>	\$ <u>264,874</u>	\$ <u>3,846</u>	\$ <u>430,593</u>

See auditor's report on supplementary information.

	Supporting services			
	Membership		Management	
	<u>Development</u>	<u>Underwriting</u>	<u>and General</u>	<u>Totals</u>
Advertising	\$ 796	\$ -	\$ -	\$ 796
Bank charges	-	-	14,547	14,547
Commission	-	83,203	-	83,203
Computer expense	-	-	1,580	1,580
Contract labor	-	-	-	-
Contract services	21,773	5,069	10,137	36,979
Depreciation	-	-	1,529	1,529
Dues and subscriptions	-	-	4,746	4,746
Engineering services	-	-	-	-
Event expense	179	-	-	179
Equipment	-	-	-	-
Insurance	5,617	14,383	6,498	26,498
Membership expense	44,611	-	-	44,611
Miscellaneous	-	-	613	613
Payroll expense	5,729	14,667	6,625	27,021
Postage	2,739	-	1,370	4,109
Professional services	-	-	7,583	7,583
Programming	-	-	-	-
Rent	894	-	7,915	8,809
Repairs and maintenance	295	-	295	590
Salaries	61,934	158,591	71,644	292,169
Supplies	-	-	2,460	2,460
Telephone	3,685	7,033	3,792	14,510
Travel and entertainment	-	-	11,220	11,220
Utilities	<u>4,758</u>	<u>9,081</u>	<u>4,896</u>	<u>18,735</u>
Totals	\$ <u>153,010</u>	\$ <u>292,027</u>	\$ <u>157,450</u>	\$ <u>602,487</u>

See auditor's report on supplementary information.