

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

For the Year Ended
June 30, 2018

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Changes in Net Assets	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
NOTES TO FINANCIAL STATEMENTS	8 - 13
SUPPLEMENTAL SCHEDULES	
Combining Statements of Financial Position (Schedule I).....	15
Combining Statements of Activities (Schedule II).....	16

CROSBY COMPANY, CERTIFIED PUBLIC ACCOUNTANT

1457 MARSH STREET, SUITE 100 - SAN LUIS OBISPO, CA 93401

PHONE: (805)543-6100 FAX: (805)858-9505

Independent Auditor's Report

To the Board of Directors and Management
United Cerebral Palsy Association of San Luis Obispo County, Inc.
San Luis Obispo, California

Report on the Financial Statements

I have audited the accompanying financial statements of United Cerebral Palsy Association of San Luis Obispo County, Inc. (a non-profit organization) which comprise the statements of financial position as of June 30, 2018, and the related statements of activities, changes in net assets, functional expenses, 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 the 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 financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 risks of material misstatement of the financial statement, 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.

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 United Cerebral Palsy Association of San Luis Obispo County, Inc. as of June 30, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Supplemental Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements listed in the table of contents 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Handwritten signature of Robert Crosby, CPA in black ink.

CROSBY COMPANY
Certified Public Accountant
San Luis Obispo, California

April 18, 2019

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

STATEMENTS OF FINANCIAL POSITION

June 30, 2018

(With comparative totals for June 30, 2017)

ASSETS

Current assets:

Cash and cash equivalents
Accounts receivable
Prepaid expenses
Deposit

Total current assets

Property and equipment:

Property and equipment, net accumulated depreciation of \$5,344,997
for June 30, 2018 and \$5,148,462 for June 30, 2017, respectively.

Total assets

	<u>2018</u>	<u>2017</u>
\$	320,389	\$ 67,867
	627,963	481,856
	46,447	47,671
	15,540	15,735
	1,010,339	613,129
	320,500	426,180
\$	1,330,839	\$ 1,039,309

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable
Accrued expenses
Deposits
Deferred revenue
Line of credit
Contract payable - current portion
Loans payable - current portion

Total current liabilities

Long-term liabilities:

Contract payable - net current portion
Loans payable - net current portion

Total long-term liabilities

Total liabilities

Net assets:

Temporarily restricted
Unrestricted

Total net assets

Total liabilities and net assets

\$	572,357	\$ 319,079
	249,539	294,478
	-	-
	191,016	111,653
	85	191,152
	15,886	
	10,718	17,024
	1,039,601	933,386
	71,913	10,670
	71,913	10,670
	1,111,514	944,056
	5,000	5,000
	214,325	90,253
	219,325	95,253
\$	1,330,839	\$ 1,039,309

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2018
(With comparative totals for June 30, 2017)

Revenue, gains and support:

Transportation
Program income
Grant income
Contributions
Special event, net expenses of \$13,901 for June 30, 2018 and \$18,298 for
June 30, 2017, respectively.
Investment income
Gain on sale of equipment
Other income

Total revenue, gains and support

Functional expenses:

Program services
Management and general
Fundraising

Total expenses

Change in net assets

	<u>2018</u>	<u>2017</u>
	\$ 4,990,714	\$ 4,736,545
	906,412	845,140
	371,030	432,648
	19,030	11,691
	33,471	15,175
	535	87
	23,268	15,465
	6,344,460	6,056,851
	5,799,536	5,917,552
	402,923	381,801
	17,929	15,704
	6,220,388	6,315,057
	\$ 124,072	\$ (258,206)

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

STATEMENTS OF CHANGES IN NET ASSETS
For the Year Ended June 30, 2018
(With comparative totals for June 30, 2017)

Net assets - June 30, 2016:

Change in net assets

Net assets - June 30, 2017:

Change in net assets

Net assets - June 30, 2018:

\$	353,559
	(258,306)
	95,253
	124,072
\$	219,325

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2018
(With comparative totals for June 30, 2017)

	Year Ended June 30, 2018				2017 Totals
	Program Services	Management & General	Fund Raising	Totals	
Expenses:					
Salaries and wages	\$ 2,522,167	\$ 211,856	\$ 4,378	\$ 2,738,401	\$ 2,608,079
Payroll taxes	175,381	19,976	420	195,777	182,486
Employee benefits	308,298	47,219	389	355,906	364,314
Accounting	7,911	55,433	798	64,142	65,735
Advertising and marketing	35,460		4,519	39,979	34,057
Bank charges	10,732			10,732	8,928
Computer expense	19,435	3,669	1,063	24,167	19,651
Depreciation	196,535			196,535	357,050
Insurance	261,419	9,376	995	271,790	243,902
Interest	14,569			14,569	31,650
Legal and professional	5,908	7,287		13,195	19,084
Licenses and fees	12,934			12,934	9,620
Membership dues	2,578			2,578	4,194
Miscellaneous expense	8,775	3,886	317	12,978	870
Occupancy	94,162	7,387	954	102,503	99,562
Parking expense	1,266			1,266	935
Postage	1,621	358	453	2,432	1,658
Printing	4,898	955	721	6,574	6,837
Program expense	358,265			358,265	263,818
Repairs and maintenance	282,405			282,405	301,432
Risk management	1,348			1,348	3,694
Supplies	10,359	3,761	848	14,968	13,583
Telephone and communication	63,453	6,398	459	70,310	60,390
Tour expense	94,618			94,618	147,986
Training and education	1,386	1,552	128	3,066	6,421
Transportation	1,218,072			1,218,072	1,324,980
National share and awards	85,581	23,810	1,487	110,878	134,141
Total expenses	\$ 5,799,536	\$ 402,923	\$ 17,929	\$ 6,220,388	\$ 6,315,057

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

STATEMENTS OF CASH FLOWS
For the Year Ended June 30, 2018
(With comparative totals for June 30, 2017)

	<u>2018</u>	<u>2017</u>
<i>Cash flows from operating activities:</i>		
Change in net assets	\$ 124,072	\$ (258,306)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	196,535	357,050
Changes in assets and liabilities		
Increase in accounts receivable	(146,107)	(100,514)
Decrease in prepaid expenses	1,224	5,508
(Increase) decrease in deposits	195	(896)
Increase in accounts payable	253,278	81,330
Increase (decrease) in accrued expenses	(44,939)	23,599
Decrease in deposits		(43,870)
Increase in deferred revenue	79,363	27,080
Net cash flows provided by operating activities	463,621	90,981
<i>Cash flows from investing activities:</i>		
Purchase of equipment	(90,855)	(80,682)
Net cash flows used by investing activities	(90,855)	(80,682)
<i>Cash flows from financing activities:</i>		
Proceeds from line of credit		116,212
Proceeds from contract payable	90,855	
Payment on line of credit	(191,067)	
Payment on contract payable	(3,056)	
Payment on long-term notes	(16,976)	(124,364)
Net cash flows used by financing activities	(120,244)	(8,152)
<i>Net change in cash and cash equivalents:</i>	252,522	2,147
<i>Cash and cash equivalents at beginning of period:</i>		
Cash and cash equivalents	67,867	65,720
<i>Cash and cash equivalents at end of period:</i>		
Net cash and cash equivalents	\$ 320,389	\$ 67,867

Supplemental schedule of noncash investing and financing activities:

Interest paid

\$ 14,569	\$ 31,650
-----------	-----------

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 1: HISTORY AND ORGANIZATION

United Cerebral Palsy Association of San Luis Obispo County, Inc. (UCP) is a non-profit, non-stock corporation, public benefit organization organized under the laws of the State of California, in 1994, and is dedicated to further, by public education, the knowledge of the causes and treatments of Cerebral Palsy and other developmental disabilities and to promote public awareness of the capabilities of people with such disabilities; to provide community access for developmentally disabled people and their families; to solicit, collect and otherwise raise money for the above purposes. Originally, the Organization was borne out of a transfer of assets and associated liabilities from United Cerebral Palsy Association of California, Inc.

Description of Programs

1. **United Cerebral Palsy** program offers services for individuals with Cerebral Palsy and other developmental disabilities, designed to provide and allow them to be a part of the community. Services offered for children and their families include respite care, social facilitation, sibling support groups, family advocacy network, parents helping parents, and programs allowing parents time away from home. Adults services include Community Interaction Program (CIP) transportation, leisure club events, tours, weeklong camp, and informational and referral services in San Luis Obispo County.
2. **Ride-On** program was established to fulfill the need for social service transportation. Rides are available to the disabled as well as non-disabled persons. Fees are charged at the same rate for each passenger.
3. **Transportation Management Association (TMA)** program uses Ride-On vehicles to encourage group transportation with vanpools and shuttles to reduce traffic congestion and air pollution throughout San Luis Obispo County.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are presented on the accrual basis of accounting. The financial resources are maintained in accordance with the principles of fund accounting.

The ***unrestricted operating fund*** is utilized to record contributions, fund-raising, fees and other forms of unrestricted revenue and expenditures related to the general operations and fund-raising efforts of the Organization.

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The *temporarily restricted fund* is utilized to record resources received by the Organization that are temporarily restricted as to use by the donor or grantor. When the restriction expires, the net assets of this fund are reclassified to unrestricted net assets.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles require 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 includes all liquid investments including money market accounts and certificates of deposits.

Accounts Receivable

Management has determined that an allowance for doubtful accounts receivable would be zero based on the Organization's credit policies, prior collection experience, and the type of customers associated with UCP.

Property and Equipment

Property and equipment are recorded at cost and at fair market value at the date of gift, for items contributed. Repairs and maintenance are charged to expense when incurred. Depreciation expense is calculated on the straight-line method over the useful life of the related asset.

Income Tax

UCP is recognized by the Internal Revenue Service as a qualified section 501(c)(3), non-profit organization, and as such, is not liable for Federal income or State franchise tax.

Functional Allocation of Expenses

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

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donor Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time periods in which the contribution is received, the Organization reports the support as unrestricted.

NOTE 3: PROPERTY AND EQUIPMENT

Summaries of fixed assets by major classifications are as follows:

	June 30, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	June 30, <u>2018</u>
Vehicles	\$ 4,935,309	\$ 90,855	\$	\$ 5,026,164
Furniture and equipment	639,333	639,333	639,333	639,333
	<u>5,574,642</u>	<u>\$ 90,855</u>	<u>\$</u>	<u>5,665,497</u>
Less: accumulated depreciation	<u>(5,148,462)</u>	<u>\$ (196,535)</u>	<u>\$</u>	<u>(5,344,997)</u>
Total property and equipment	<u>\$ 426,180</u>			<u>\$ 320,500</u>

Depreciation expense for the year ended June 30, 2018 was \$196,535.

NOTE 4: DONATED MATERIALS AND SERVICES

UCP receives donations of time and services from members of the community and volunteers. The value of these donations is not reflected in the accompanying financial statements since no objective basis is available to measure the value of these services. In-kind donations of fixed assets and supplies used directly by the Organization are valued at their appraised values at the time of the receipt.

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 5: ACCRUED EXPENSES

Accrued expenses at June 30, 2018 consist of the following:

Accrued salaries	\$	116,713
Accrued vacation		131,164
Accrued employee benefits		<u>1,662</u>
Total accrued expenses	\$	<u>249,539</u>

Compensated absences are calculated using vacation days earned at the individual employee's current hourly rate. Full-time UCP employees can earn up to 150 hours of paid leave time per year, depending on years of service.

NOTE 6: CONCENTRATIONS

The Tri Counties Regional Center provides funds for transportation services provided by the Organization. Total Tri Counties Regional Center funding for the year ended June 30, 2018 was \$2,629,634, which represents approximately 41% of the Organization's total support revenue sources.

The Organization maintains its cash in several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. There were no uninsured cash balances at June 30, 2018.

NOTE 7: LINE OF CREDIT

A line of credit was established with Rural Community Assistance Corporation of California for \$300,000. This line of credit had a \$85 balance at June 30, 2018 and is due December 31, 2018. The current interest rate is fixed at 6.875%.

NOTE 8: COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. Generally Accepted Accounting Principles (GAAP). Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 9: CONTRACT/LOANS PAYABLE

Contract/loans payable consist of the following:

<u>Contract payable:</u>	June 30, <u>2017</u>	<u>Additions</u>	<u>Payments</u>	June 30, <u>2018</u>
Wells Fargo., May 2018, secured by vehicles, monthly payments of \$1,780 include interest at 6.79%, due date April 2023.	\$ -	\$ 90,855	\$ 3,056	\$ 87,799
 <u>Loans Payable:</u>				
Pacific Premier Bancorp, Inc., March 2013, secured by vehicle, monthly payments include interest at 6.25%, due date April 2019.	\$ 22,966	\$ -	\$ 12,248	\$ 10,718
Union Bank (2), various dates, secured by vehicles, monthly payments including interest at 5.5%, due dates July 2017.	4,728	-	4,728	-
Total contract/loans payable	\$ <u>27,694</u>	\$ <u>90,855</u>	\$ <u>20,032</u>	\$ <u>98,517</u>
Current contract/loans payable	\$ <u>17,024</u>			\$ <u>26,604</u>
Long-term contract/loans payable	\$ <u>10,670</u>			\$ <u>71,913</u>

Required principal and interest payments for the next two years are as follows:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Loans payable			
2019	\$ <u>10,718</u>	\$ <u>256</u>	\$ <u>10,974</u>
Contact payable			
2019	\$ 15,886	\$ 5,474	\$ 21,360
2020	16,999	4,361	21,360
2021	18,190	3,170	21,360
2022	19,465	1,895	21,360
2023	<u>17,259</u>	<u>541</u>	<u>17,800</u>
Subtotals	<u>87,799</u>	<u>15,441</u>	<u>103,240</u>
Totals	\$ <u>98,517</u>	\$ <u>15,697</u>	\$ <u>114,214</u>

See Auditor's report

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 10: LEASE COMMITMENTS

The Organization leases facilities under four separate lease agreements; the Corporate office, the storage yard, and the vehicle maintenance facilities.

The storage yard, vehicle maintenance facilities, South County office and ranch facilities leases are on a month to month basis. Currently the monthly rent is \$800, \$1,690, and \$670, respectively.

The Corporate office lease was dated April 1, 2009 and expired March 31, 2014. A five year renewal option was exercised on April 1, 2014, extending the lease through March 31, 2019. The monthly payments are currently \$6,316.

Minimum future lease payments are, as follows:

Year Ending June 30,	Payment <u>Total</u>
2019	\$ <u>56,844</u>
Totals	\$ <u>56,844</u>

NOTE 11: SUBSEQUENT EVENTS

UCP has evaluated events subsequent to June 30, 2018, to assess the need for potential recognition or disclosures in the financial statements. Such events were evaluated through April 18, 2019, the date these financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL SCHEDULES

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

SUPPLEMENTAL SCHEDULE I
COMBINING STATEMENTS OF FINANCIAL POSITION
June 30, 2018

(With comparative totals for June 30, 2017)

	Year Ended June 30, 2018				2017 Totals
	United Cerebral Palsy	Ride-On	Transportation Management Association	Totals	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 134,998	\$ 172,614	\$ 12,777	\$ 320,389	\$ 67,867
Accounts receivable	69,870	543,589	14,504	627,963	481,856
Prepaid expenses		46,447		46,447	47,671
Due from other funds			1,121,029	1,121,029	1,024,095
Deposit		15,540		15,540	15,735
Total current assets	204,868	778,190	1,148,310	2,131,368	1,637,224
Property and equipment:					
Property and equipment, net of accumulated depreciation		320,500		320,500	426,180
Total assets	\$ 204,868	\$ 1,098,690	\$ 1,148,310	\$ 2,451,868	\$ 2,063,404
LIABILITIES AND NET ASSETS					
Current liabilities:					
Accounts payable	\$ 145,390	\$ 423,803	\$ 3,164	\$ 572,357	\$ 319,079
Accrued expenses	40,587	191,223	17,729	249,539	294,478
Due to other funds	244,954	876,075		1,121,029	1,024,095
Deposits				-	-
Deferred revenue	190,668	348		191,016	111,653
Line of credit		85		85	191,152
Contract payable - current portion		15,886		15,886	
Loans payable - current portion		10,718		10,718	17,024
Total current liabilities	621,599	1,518,138	20,893	2,160,630	1,957,481
Long-term liabilities:					
Contract payable - net current portion		71,913		71,913	10,670
Total long-term liabilities	-	71,913	-	71,913	10,670
Total liabilities	621,599	1,590,051	20,893	2,232,543	1,968,151
Net assets:					
Temporarily restricted	5,000			5,000	5,000
Unrestricted	(421,731)	(491,361)	1,127,417	214,325	90,253
Total net assets	(416,731)	(491,361)	1,127,417	219,325	95,253
Total liabilities and net assets	\$ 204,868	\$ 1,098,690	\$ 1,148,310	\$ 2,451,868	\$ 2,063,404

The accompanying notes are an integral part of this financial statements

**UNITED CEREBRAL PALSY ASSOCIATION
OF SAN LUIS OBISPO COUNTY, INC.**

SUPPLEMENTAL SCHEDULE II
COMBINING STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2018
(With comparative totals for June 30, 2017)

	Year Ended June 30, 2018				2017 Totals
	United Cerebral Palsy	Ride-On	Transportation Management Association	Totals	
Revenue, gains and support:					
Transportation	\$ -	\$ 4,370,013	\$ 620,701	\$ 4,990,714	\$ 4,736,545
Program income	906,412			906,412	845,140
Grant income	71,214	312,247	(12,431)	371,030	432,648
Contributions	19,030			19,030	11,691
Special event net expenses	33,471			33,471	15,175
Investment income	79	453	3	535	87
Other income	13,953	9,255	60	23,268	15,465
Total revenue, gains and support	1,044,159	4,691,968	608,333	6,344,460	6,056,751
Expenses:					
Salaries and wages	466,191	2,172,762	99,448	2,738,401	2,608,079
Payroll taxes	27,375	161,879	6,523	195,777	182,486
Employee benefits	20,480	334,011	1,415	355,906	364,314
Accounting	10,366	47,396	6,380	64,142	65,735
Advertising and marketing	10,018	26,563	3,398	39,979	34,057
Bank charges	1,954	1,358	7,420	10,732	8,928
Computer expense	1,256	22,911		24,167	19,651
Depreciation		196,535		196,535	357,050
Insurance		271,790		271,790	243,902
Interest	864	13,680	25	14,569	31,650
Legal and professional		13,195		13,195	19,084
Licenses and fees		12,934		12,934	9,620
Membership dues	545	1,198	835	2,578	4,194
Miscellaneous expense		10,337	2,641	12,978	870
Occupancy	20,984	64,231	17,288	102,503	99,562
Parking expense		23	1,243	1,266	935
Postage	689	1,743		2,432	1,658
Printing	440	5,894	240	6,574	6,837
Program expense	358,265			358,265	263,818
Repairs and maintenance	7,092	269,198	6,115	282,405	301,432
Risk management		1,348		1,348	3,694
Supplies	5,164	9,629	175	14,968	13,583
Telephone and communication	1,453	68,250	607	70,310	60,390
Tour expense	94,618			94,618	147,986
Training and education	394	2,672		3,066	6,421
Transportation	70,671	771,363	376,038	1,218,072	1,324,980
National share and awards	32,920	77,958		110,878	134,141
Total expenses	1,131,739	4,558,858	529,791	6,220,388	6,315,057
Change in net assets	(87,580)	133,110	78,542	124,072	(258,306)
Net assets - beginning of period	(329,151)	(624,471)	1,048,875	95,253	353,559
Net assets - end of period	\$ (416,731)	\$ (491,361)	\$ 1,127,417	\$ 219,325	\$ 95,253

The accompanying notes are an integral part of this financial statements