

March 23, 2016

Finance Committee
Kingston Economic Development Corporation
945 Princess Street at Innovation Park
KINGSTON ON K7L 3N6

Dear Finance Committee of Kingston Economic Development Corporation:

Re: Audit of 2015 Financial Statements of Kingston Economic Development Corporation ("KEDCO")

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify other matters that may be of interest to management and the Finance Committee in discharging its responsibilities. Accordingly, an audit would not usually identify all such matters.

During the course of our audit of the financial statements for the year ended December 31, 2015, we did not identify any of the following matters:

- Unrecorded misstatements, other than trivial errors;
- Fraud;
- Misstatements that may cause future financial statements to be materially misstated; or
- Significant weaknesses in internal control.

During the course of the audit we established an understanding of the design and implementation of various internal controls of the general accounting transaction cycles sufficient to conduct our audit procedures. In some cases we did samples to test the operating effectiveness of some of the identified controls. The results of our audit tests found the identified controls in these specific areas to be adequately implemented and operating effectively.

During the course of the audit we did identify one recommendation for your consideration. We recommend that The City of Kingston Financial Services Department (the "City") be given copies of all contracts entered into in the year by KEDCO that involve a significant funding source or a significant financial commitment to KEDCO. We recommend that the parameters for which contracts are to be provided be considered and then established in the policies and procedures manual for all staff to follow. The City has been providing the back office financial

Kingston Economic Development Corporation

Financial Statements

Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Kingston Economic Development Corporation

We have audited the accompanying financial statements of Kingston Economic Development Corporation which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in fund balances and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation 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 Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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, these financial statements present fairly, in all material respects, the financial position of Kingston Economic Development Corporation as at December 31, 2015, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included in the Schedule of Operations by Department is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Secker Ross & Perry^{LLP}

Chartered Accountants
Licensed Public Accountants
Kingston, Ontario
July 18, 2016

Kingston Economic Development Corporation
Statement of Financial Position as at December 31, 2015

	<u>2015</u>	<u>2014</u>
Assets		
Current Assets		
Cash	\$ 819,652	\$1,023,415
Cash - interest earned on funds on deposit (note 5(a))	-	7,544
Investments (note 3)	271,089	162,094
Accounts receivable	27,501	99,179
Inventory	34,647	31,339
Sales tax recoverable	30,291	73,673
Prepaid expenses and refundable deposits (note 4)	15,159	62,099
	<u>1,198,339</u>	<u>1,459,343</u>
Other Deposits and Advances		
Funds on deposit with Kawartha Credit Union (note 5(a))	-	100,000
Investment in PARTEQ Angel Network (note 5(a))	20,000	20,000
	<u>20,000</u>	<u>120,000</u>
Capital Assets (note 6)	<u>123,042</u>	<u>146,311</u>
	<u>\$1,341,381</u>	<u>\$1,725,654</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$258,074	\$233,833
Payable to Corporation of the City of Kingston (note 15)	227,821	509,414
Deferred revenue (note 7)	29,051	72,845
	<u>514,946</u>	<u>816,092</u>
Deferred Contributions Related to Capital Assets (note 8)	62,147	79,346
Deferred Lease Inducements (note 9)	52,322	64,822
	<u>629,415</u>	<u>960,260</u>
Fund Balances		
Investment in Capital Assets (note 10)	60,895	66,965
Board Restricted (note 5(a))	20,000	120,000
Other Board Restricted (note 5(b))	-	17,457
Unrestricted	631,071	560,972
	<u>711,966</u>	<u>765,394</u>
	<u>\$1,341,381</u>	<u>\$1,725,654</u>
Commitments and Contingencies (note 12)		
Economic Dependence (note 16)		
Approved on behalf of the Board:		
Member		
Member		

See accompanying notes to financial statements.

Kingston Economic Development Corporation

Statement of Operations

Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
Revenues		
Contributions from the Corporation of the City of Kingston (note 15)	\$2,707,766	\$2,654,673
Provincial government contributions	187,578	178,586
Federal government contributions	47,514	26,085
Resale materials	203,679	173,485
Events and seminars	54,065	54,092
Partnership revenue and corporate investors	31,998	59,348
Amortization of deferred contributions (note 8)	17,199	17,199
Commissions & online reservations (net)	16,428	4,072
Interest	7,785	12,831
	<u>3,274,012</u>	<u>3,180,371</u>
Expenses		
Accounting and legal (note 12)	69,967	33,042
Advertising	351,288	296,536
Amortization	60,026	54,234
Bank charges	11,323	12,426
Equipment rental	4,244	4,513
Events and meetings	207,142	206,830
Information technology support (notes 12 and 15)	55,393	55,439
Insurance	7,792	6,879
Memberships and licenses	49,157	55,734
Office and miscellaneous	12,611	61,588
Professional contractors	148,479	101,196
Professional development	34,462	35,915
Rent (note 12)	153,027	155,008
Resale materials	91,072	104,619
Salaries and benefits	1,736,176	1,647,646
Sponsorships and donations	142,412	198,261
Telephone	24,909	27,727
Travel	86,737	101,491
	<u>3,246,217</u>	<u>3,159,084</u>
Excess of revenues over expenses before the undernoted item	27,795	21,287
Expenses of board restricted fund (note 5(b))	<u>81,223</u>	<u>148,746</u>
Deficiency of revenues over expenses	<u>\$ (53,428)</u>	<u>\$ (127,459)</u>

See accompanying notes to financial statements.

Kingston Economic Development Corporation
Statement of Changes in Fund Balances
Year Ended December 31, 2015

	Investment in Capital Assets	Board Restricted	Other Board Restricted	Unrestricted	Total 2015	Total 2014
Balance at beginning of year	\$66,965	\$120,000	\$17,457	\$560,972	\$765,394	\$892,853
Excess (deficiency) of revenues over expenses	(42,827)	-	(81,223)	70,622	(53,428)	(127,459)
Interfund transfers (note 5(a) and (b))	-	(100,000)	63,766	36,234	-	-
Investment in capital assets	36,757	-	-	(36,757)	-	-
Balance at end of year	\$60,895	\$ 20,000	-	\$631,071	\$711,966	\$765,394

See accompanying notes to financial statements.

Kingston Economic Development Corporation
Statement of Cash Flow
Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
Cash flow from (used in) operating activities		
Deficiency of revenues over expenses	\$ (53,428)	\$ (127,459)
Add (deduct) items not affecting cash		
Amortization	60,026	54,234
Amortization of deferred capital contributions	(17,199)	(17,199)
Deferred lease inducements	(12,500)	759
	<u>(38,101)</u>	<u>(89,665)</u>
Changes in non-cash working capital balances		
Accounts receivable	71,678	(14,176)
Inventory	(3,308)	31,392
Sales tax recoverable	43,382	(27,332)
Prepaid expenses and refundable deposits	46,940	(28,316)
Accounts payable and accrued liabilities	24,241	114,611
Payable to Corporation of the City of Kingston	(281,593)	509,414
Deferred revenue	(43,794)	72,845
	<u>(165,555)</u>	<u>568,773</u>
Cash flow from (used in) investing activities		
Purchase of capital assets	(36,757)	(41,783)
Purchase of investments	(108,995)	(9,192)
	<u>(145,754)</u>	<u>(50,975)</u>
Net increase (decrease) in cash	(311,307)	517,798
Cash at beginning of year	<u>1,130,959</u>	<u>613,161</u>
Cash at end of year	<u>\$ 819,652</u>	<u>\$1,130,959</u>
Cash represented by:		
Cash	\$ 819,652	\$1,023,415
Cash - interest earned on funds on deposit	-	7,544
Deposit with Kawartha Credit Union	-	100,000
	<u>\$ 819,652</u>	<u>\$1,130,959</u>

See accompanying notes to financial statements.

Kingston Economic Development Corporation

Notes to Financial Statements

Year Ended December 31, 2015

1. Purpose of the Corporation

Kingston Economic Development Corporation (the "Corporation") is incorporated without share capital as a not-for-profit corporation under the laws of Ontario. The Corporation's mission is to undertake and promote economic development for Kingston, fostering local investment, job creation, assessment growth and community prosperity through the support of strategic economic projects in the industrial, commercial, institutional, technological and tourism sectors.

2. Significant Accounting Policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting polices:

(a) Investments

Investments in term deposits are recorded at cost plus accrued interest which approximates market value.

(b) Inventory

Inventory represents resale materials at the Visitor Information Centre. Inventory is valued at the lower of cost and net realizable value, where cost is computed using the average cost method. Obsolete and slow-moving items are written down to their estimated net realizable values.

(c) Revenue Recognition

The Corporation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred.

Unrestricted contributions are recognized as revenue when received or receivable, provided that the amounts to be received can be reasonably estimated and collection is reasonably assured.

Revenue from resale materials, events and seminars are recognized when merchandise is received by or service is provided to the customer, when the consideration is fixed or determinable and when collection is reasonably assured.

Revenue from partners and other corporate investors towards various events and meetings hosted by the Corporation are recognized when there is persuasive evidence of an arrangement for funding, the price is fixed or determinable and collection of the relevant receivable is probable.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

2. Significant Accounting Policies (continued)

(d) Amortization

Capital assets are recorded at cost and amortization is provided using the straight-line method over the estimated useful lives of the assets as follows:

Computer software	2 years
Computer hardware	3 years
Furniture and equipment	5 years
Display Units	7 years
Signage	7 years
Voicemail system	7 years
Leasehold improvements	10 years
CRM system	10 years

(e) Donated Materials and Services

The Corporation receives donated advertising services from the Provincial government. Because of the difficulty of determining the fair market value, donated advertising services are not recognized in these financial statements.

(f) Deferred contributions

Deferred contributions related to capital assets represent financial assistance received for the purchase of capital assets. This financial assistance is deferred and amortized to income on the same basis as the related capital assets.

(g) Deferred Lease Inducements

Deferred lease inducements represent various lease inducements received from the landlord pursuant to a lease agreement for premises occupied by the Corporation. These lease inducements include an initial rent-free period and reduced rent payments in the early periods of the lease. The deferred lease inducements are amortized on a straight-line basis against rent expense over the term of the lease.

(h) Investment in PARTEQ Angel Network

The funds invested with the PARTEQ Angel Network Fund are carried at cost. Each advance is evaluated annually for possible impairment in the carrying value. Management makes its best estimate of the expected net recoverability of the advances in relation to estimates pertaining to the financial solvency of the underlying investments.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

2. Significant Accounting Policies (continued)

(i) Allocation of Expenses

The Corporation incurs salary costs for individuals who are tasked with administering the affairs of the Corporation as well as delivering the programs and services. The wage and benefit cost relating to these specific individuals are allocated between the salaries and benefits, events and meetings expense line items of the financial statements based on the estimated amount of time and/or expense that these individuals spend addressing each function.

(j) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 year. Actual results could differ from those estimates.

Significant estimates in these financial statements include the estimated net realizable value of inventory and the estimated net recoverability of the funds advanced to PARTEQ Angel Network. Management has made its best estimate for any impairment to the carrying values.

3. Investments

Investments are comprised of the following:

	<u>2015</u>	<u>2014</u>
1.45% Term deposit with Kawartha Credit Union, maturing March 25, 2016	\$162,720	\$162,094
1.6% Term deposit with Kawartha Credit Union, maturing July 7, 2016	<u>108,369</u>	<u>-</u>
	<u>\$271,089</u>	<u>\$162,094</u>

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

4. Prepaid Expenses and Refundable Deposits

	<u>2015</u>	<u>2014</u>
Innovation Park office rent	\$ 8,333	\$16,850
Trade show registration	1,069	3,588
Travel costs	1,174	14,135
Advertising and marketing	-	7,391
Memberships	3,122	1,490
Licenses & leases	631	18,645
Contracted services	830	-
	<u>\$15,159</u>	<u>\$62,099</u>

5. Board Restricted Funds

(a) Board restricted funds are comprised of:

	<u>2015</u>	<u>2014</u>
First Capital Business Loan Fund	\$ -	\$100,000
PARTEQ Angel Network Fund	<u>20,000</u>	<u>20,000</u>
	<u>\$120,000</u>	<u>\$120,000</u>

First Capital Business Loan Fund

During the year, the Board of Directors approved the removal of the internal restriction of the \$100,000 on deposit with Kawartha Credit Union. The original restriction was to provide Kawartha Credit Union with a guarantee for loans advanced under a lending program for new and emerging small businesses. The guarantee is no longer necessary. The deposit, as well as the interest earned on the deposit, is now unrestricted.

PARTEQ Angel Network Fund

The Corporation holds 20,000 participation units in the PARTEQ Angel Network ("Network"). The purpose of the Network is to make investments in early stage business ventures that meet the specified investment criteria of the Network.

The participation units are non-interest bearing, unsecured, irrevocable advances that can only be repaid to the participants in the event of a liquidity event of one or more of the Network's underlying investments. The underlying investments are in SPARQ Systems Inc. and Switchable Solutions at \$10,000 each. The result of these investments is that the Corporation has shareholder rights in both of these companies which translates into less than 1% share in each company.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

5. Board Restricted Funds (continued)

(b) The Corporation restricts net assets for various future expenditures under other board restricted funds. These expenses of the board restricted fund have been approved by the Board of Directors up to the following amounts:

	<u>Board Approved</u>	<u>Opening Balance</u>	<u>Actual Transfer in Year</u>	<u>Expenses in Year</u>	<u>Ending Balance</u>
MIPIM Trade Show	\$ 30,000	\$ -	\$ 14,550	\$ 14,550	\$ -
Rogers K-Rock Centre Suite	15,000	5,511	(783)	4,728	-
Restructure	49,999	-	49,999	49,999	-
LPS Aviation Project	<u>15,000</u>	<u>11,946</u>	<u>-</u>	<u>11,946</u>	<u>-</u>
	<u>\$109,999</u>	<u>\$17,457</u>	<u>\$63,766</u>	<u>\$81,223</u>	<u>\$ -</u>

During the year, the board approved the additional net aggregate transfer of \$63,766 (2014 - \$131,327) from Unrestricted Surplus to Other Board Restricted Funds to provide for expenses.

6. Capital Assets

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Computer software	\$ 61,031	\$ 49,503	\$ 11,528	\$ 14,326
Computer hardware	155,288	152,042	3,246	2,949
Furniture and equipment	107,755	102,466	5,289	6,385
Display units	48,861	48,861	-	340
Signage	117,888	100,127	17,761	18,537
Voicemail system	34,444	34,444	-	926
Leasehold improvements - Innovation Park	175,193	113,048	62,145	79,343
CRM System	<u>39,938</u>	<u>16,865</u>	<u>23,073</u>	<u>23,505</u>
	<u>\$740,398</u>	<u>\$617,356</u>	<u>\$123,042</u>	<u>\$146,311</u>

Cost and accumulated amortization in 2014 were \$703,642 and \$557,331 respectively.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

7. Deferred Revenue

	<u>2015</u>	<u>2014</u>
Provincial Grants – Business Development	\$ 29,051	\$ 62,872
Prepaid customer invoices	<u>-</u>	<u>9,973</u>
	<u>\$ 29,051</u>	<u>\$ 72,845</u>

8. Deferred Contributions Related to Capital Assets

The changes in the deferred contributions balance for the year are as follows:

	<u>2015</u>	<u>2014</u>
Balance at beginning of year	\$ 79,346	\$ 96,545
Less amounts amortized to revenue - Innovation Park	<u>(17,199)</u>	<u>(17,199)</u>
Balance at end of year	<u>\$ 62,147</u>	<u>\$ 79,346</u>

9. Deferred Lease Inducements

Changes in deferred lease inducements balance for the year are as follows:

	<u>2015</u>	<u>2014</u>
Balance at beginning of year	\$ 64,822	\$ 64,063
Add straight-line rent expense for the year	112,500	112,500
Less rents paid during the year	<u>(125,000)</u>	<u>(111,741)</u>
Balance at end of year	<u>\$ 52,322</u>	<u>\$ 64,822</u>

10. Investment in Capital Assets

	<u>2015</u>	<u>2014</u>
Capital assets	\$123,042	\$ 146,311
Less deferred contributions to related capital assets	<u>(62,147)</u>	<u>(79,346)</u>
	<u>\$ 60,895</u>	<u>\$ 66,965</u>

11. Bank Credit Facility

The Corporation has a short-term line of credit facility of \$100,000 (2014 - \$100,000) of which none had been drawn as at December 31, 2015. The line of credit bears interest at the lender's prime rate and is secured by a general security agreement.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

12. Commitments and Contingencies

- (a) The Corporation is committed to a lease for office space under an operating lease expiring July 2019. Annual lease payments up to July 2014 amount to \$100,000 per year. The annual lease payments for the period July 15, 2014 to July 31, 2019 amount to \$125,000 per year.

Under the written terms of the lease, the Corporation can terminate the lease with six months written notice and the repayment of \$87,500 related to leasehold improvements performed by the landlord on behalf of the Corporation.

- (b) The Corporation is committed to a service level agreement with the City of Kingston for information systems and technology services. The annual charges for these services amounted to \$55,393 (2014- \$54,472).
- (c) In June 2014, the Corporation committed to a service level agreement with the City of Kingston for accounting and reporting services. The annual charge for these services for the period January 1, 2015 to December 31, 2015 amounted to \$30,528. Annual contracted amount for 2016 is \$30,000.
- (d) The Corporation is committed to a three year lease with the City of Kingston for the Visitor Information Centre. The lease expires on Dec 31, 2016. The Corporation paid rent of \$37,817 (2014 - \$37,099).

13. Pension Costs and Obligations

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employee based on the length of service and rate of pay. Because OMERS is a multi-employer pension plan, the Corporation does not recognize any share of the pension plan deficit of \$7.0 billion (at December 31, 2015) based on the fair market value of the plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

The amount contributed to OMERS for 2015 was \$120,948 (2014 - \$122,783) and is included as an expense in the statement of operations.

14. Fair Value of Financial Instruments

Financial instruments are initially recognized at fair value and then subsequently at amortized cost with gains or losses recognized in the statement of operations in the period in which the gain or loss occurs. The carrying amounts for cash, accounts receivable and accounts payable approximate their fair market values because of the short-term nature of these instruments.

It is management's opinion that the Corporation is not exposed to significant interest rate, liquidity or credit risks arising from its financial instruments.

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2015

15. Related Party Transactions

The Corporation of the City of Kingston (the "City") significantly influences the Corporation by virtue of the fact that the City has representation on the Board of the Directors and is the major source of revenue for the Corporation.

The Corporation operates under a service level agreement explained in note 12(c) with the City whereby the City pays certain expenses on behalf of the Corporation. In connection with the service level agreement, funds amounting to \$227,821 (2014 - \$509,414) are payable to the City of Kingston at year-end. Subsequent to the year-end the City recovered the balance owing by way of reduced cash flows to the Corporation.

The City provided revenues of \$2,707,766 (2014 - \$2,654,673) to the Corporation.

The Corporation paid the City for information systems and technology services, rent for the Visitor Information Centre and accounting services as described in note 12(b), (c) and (d).

The transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

16. Economic Dependence

The Corporation is economically dependent on the continued financial support of the Corporation of the City of Kingston. The Corporation derives a significant portion of its revenues each year from the City. Continued existence of the Corporation is dependent on the future financial support of the City.

17. Allocation of Expenses

The significant allocated expenses recorded are:

	<u>2015</u>	<u>2014</u>
Salaries		
Salaries and benefits	\$ 1,419,399	\$1,340,445
Events and meetings	25,402	-
Board restricted	<u>49,999</u>	<u>-</u>
	<u>\$1,494,800</u>	<u>\$1,340,445</u>

The events and meetings allocation is reported in the Business Development segment of the Schedule of Operations by Department and the board restricted allocation is reported in the Corporate segment.

Kingston Economic Development Corporation
Schedule of Operations by Department
Year Ended December 31, 2015

	Corporate	Business Development	Tourism Kingston	Total 2015	Total 2014
Revenues:					
Contributions from the Corporation of the City of Kingston	318,396	1,309,100	1,080,270	2,707,766	2,654,673
Provincial government contributions	-	184,703	2,875	187,578	178,586
Federal government contributions	-	47,514	-	47,514	26,085
Resale materials	-	-	203,679	203,679	173,485
Events and seminars	6,554	18,656	28,855	54,065	54,092
Partnership revenue and corporate investors	3,889	5,843	22,266	31,998	59,348
Amortization of deferred contributions	17,199	-	-	17,199	17,199
Commissions & online reservations (net)	-	-	16,428	16,428	4,072
Interest	7,368	-	417	7,785	12,831
Total Revenues	\$353,406	\$1,565,816	\$1,354,790	\$3,274,012	\$3,180,371
Expenditures:					
Accounting and legal	69,967	-	-	69,967	33,042
Advertising	55,424	123,854	172,010	351,288	296,539
Amortization	60,026	-	-	60,026	54,234
Bank charges	9,943	-	1,380	11,323	12,426
Equipment rental	3,556	-	688	4,244	4,513
Events and meetings	46,032	102,604	58,506	207,142	206,830
Information technology support	55,393	-	-	55,393	55,439
Insurance	7,792	-	-	7,792	6,879
Memberships and licenses	16,879	23,799	8,479	49,157	55,734
Office and miscellaneous	(2,770)	6,496	8,885	12,611	61,585
Allocated administration	(368,184)	184,205	183,979	-	-
Professional contractors	34,224	97,240	17,015	148,479	101,196
Professional development	29,840	4,282	340	34,462	35,915
Rent	115,209	-	37,818	153,027	155,008
Resale materials	-	-	91,072	91,072	104,619
Salaries and benefits	244,738	894,537	596,901	1,736,176	1,647,646
Sponsorships and donations	2,898	20,859	118,655	142,412	198,260
Telephone	21,424	934	2,551	24,909	27,727
Travel	8,065	59,342	19,330	86,737	101,491
Total Expenses	\$410,456	\$1,518,152	\$1,317,609	\$3,246,217	\$3,159,084
Excess (deficiency) of revenues over expenses before the undernoted item	\$ (57,050)	\$ 47,664	\$ 37,181	\$ 27,795	\$ 21,287
Expenses of board restricted funds	81,223	-	-	81,223	148,746
Excess (deficiency) of revenues over expenses	\$(138,273)	\$ 47,664	\$ 37,181	\$ (53,428)	\$ (127,459)