

April 10, 2017

CONFIDENTIAL

Finance Committee
Kingston Economic Development Corporation
Suite 106
945 Princess Street at Innovation Park
KINGSTON ON K7L 0E9

Dear Finance Committee of Kingston Economic Development Corporation:

Re: Audit of 2016 Financial Statements

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 matters that may be of interest to management 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 2016, we did not identify any of the following matters:

- 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 which was identified in the prior year as well. We recommend that The City of Kingston Financial Services Department (the "City") be given copies of all contracts entered into in the year by Kingston Economic Development Corporation that involve a significant funding source or a significant financial commitment. This will strengthen the financial reporting function. We further recommend that the parameters for which contracts are to be provided to the City 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 reporting function for Kingston Economic Development Corporation since July 2014. The involvement of the City staff provides for

Secker Ross & Perry^{LLP}

chartered professional accountants
tax and business advisors

additional segregation of duties within the accounting cycles and provides an additional detective control. Giving the City a copy of all financially significant contracts would further strengthen the City's ability to enhance the detective controls of Kingston Economic Development Corporation.

This communication is prepared solely for the information of the directors and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the co-operation and assistance which we received during the course of our audit.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours sincerely,

SECKER ROSS & PERRY LLP

Tyler Rider, CPA, CA, Licensed Public Accountant
Partner

Kingston Economic Development Corporation
Financial Statements
Year Ended December 31, 2016

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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, 2016 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, 2016, 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.

Chartered Professional Accountants
Licensed Public Accountants
Kingston, Ontario
April 10, 2017

Kingston Economic Development Corporation
Statement of Financial Position as at December 31, 2016

	<u>2016</u>	<u>2015</u>
Assets		
Current Assets		
Cash	\$519,227	\$819,652
Investments (note 3)	275,112	271,089
Accounts receivable	65,412	27,501
Receivable from City of Kingston (note 15)	258,072	-
Inventory	18,045	34,647
Sales tax recoverable	28,669	30,291
Prepaid expenses and refundable deposits (note 4)	31,097	15,159
	<u>1,195,634</u>	<u>1,198,339</u>
Investment in PARTEQ Angel Network (note 5(a))	<u>20,000</u>	<u>20,000</u>
Capital Assets (note 6)	<u>121,140</u>	<u>123,042</u>
	<u>\$1,336,774</u>	<u>\$1,341,381</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$225,304	\$258,074
Payable to City of Kingston (note 15)	-	227,821
Deferred revenue (note 7)	162,374	29,051
	<u>387,678</u>	<u>514,946</u>
Deferred Contributions Related to Capital Assets (note 8)	44,948	62,147
Deferred Lease Inducements (note 9)	39,822	52,322
	<u>472,448</u>	<u>629,415</u>
Fund Balances		
Investment in Capital Assets (note 10)	76,192	60,895
Board Restricted (note 5(a))	20,000	20,000
Other Board Restricted (note 5(b))	20,000	-
Unrestricted	748,134	631,071
	<u>864,326</u>	<u>711,966</u>
	<u>\$1,336,774</u>	<u>\$1,341,381</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, 2016

	<u>2016</u>	<u>2015</u>
Revenues		
Contributions from the Corporation of the City of Kingston (note 15)	\$2,615,901	\$2,707,766
Provincial government contributions	275,388	187,578
Federal government contributions	45,703	47,514
Resale materials	156,030	203,679
Events and seminars	68,788	54,065
Partnership revenue and corporate investors	69,543	31,998
Amortization of deferred contributions (note 8)	17,199	17,199
Commissions & online reservations (net)	19,114	16,428
Interest	6,896	7,785
	<u>3,274,562</u>	<u>3,274,012</u>
Expenses		
Accounting and legal (note 12)	76,635	69,967
Advertising	384,010	351,288
Amortization	82,362	60,026
Bank charges	12,449	11,323
Equipment rental	3,922	4,244
Events and meetings	213,945	207,142
Information technology support (notes 12 and 15)	56,329	55,393
Insurance	8,069	7,792
Memberships and licenses	59,603	49,157
Office and miscellaneous	54,721	12,611
Professional contractors	247,778	148,479
Professional development	36,163	34,462
Rent (note 12)	157,632	153,027
Resale materials	79,854	91,072
Salaries and benefits	1,350,658	1,736,176
Sponsorships and donations	210,525	142,412
Telephone	16,171	24,909
Travel	71,376	86,737
	<u>3,122,202</u>	<u>3,246,217</u>
Excess of revenues over expenses before the undernoted item	152,360	27,795
Expenses of board restricted fund	-	81,223
Excess (deficiency) of revenues over expenses	<u>\$152,360</u>	<u>\$ (53,428)</u>

See accompanying notes to financial statements.

Kingston Economic Development Corporation
Statement of Changes in Fund Balances
Year Ended December 31, 2016

	Investment in Capital Assets	Board Restricted	Other Board Restricted	Unrestricted	Total 2016	Total 2015
Balance at beginning of year	\$60,895	\$20,000	-	\$631,071	\$711,966	\$765,394
Excess (deficiency) of revenues over expenses	(65,163)	-	-	217,523	152,360	(53,428)
Interfund transfer (note 5(b))	-	-	20,000	(20,000)	-	-
Investment in capital assets	80,460	-	-	(80,460)	-	-
Balance at end of year	\$76,192	\$20,000	\$20,000	\$748,134	\$864,326	\$711,966

See accompanying notes to financial statements.

Kingston Economic Development Corporation

Statement of Cash Flow

Year Ended December 31, 2016

	<u>2016</u>	<u>2015</u>
Cash flow from (used in) operating activities		
Excess (deficiency) of revenues over expenses	\$ 152,360	\$ (53,428)
Add (deduct) items not affecting cash		
Amortization	82,362	60,026
Amortization of deferred capital contributions	(17,199)	(17,199)
Deferred lease inducements	(12,500)	(12,500)
	<u>205,023</u>	<u>(38,101)</u>
Changes in non-cash working capital balances		
Accounts receivable	(37,911)	71,678
Inventory	16,602	(3,308)
Sales tax recoverable	1,622	43,382
Prepaid expenses and refundable deposits	(15,938)	46,940
Accounts payable and accrued liabilities	(32,770)	24,241
Receivable from/payable to City of Kingston	(485,893)	(281,593)
Deferred revenue	133,323	(43,794)
	<u>(215,942)</u>	<u>(165,555)</u>
Cash flow used in investing activities		
Purchase of capital assets	(80,460)	(36,757)
Purchase of investments	(4,023)	(108,995)
	<u>(84,483)</u>	<u>(145,754)</u>
Net decrease in cash	(300,425)	(311,307)
Cash at beginning of year	<u>819,652</u>	<u>1,130,959</u>
Cash at end of year	<u>\$519,227</u>	<u>\$819,652</u>

See accompanying notes to financial statements.

Kingston Economic Development Corporation

Notes to Financial Statements

Year Ended December 31, 2016

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

These financial statements have been prepared in accordance with Part III of the CPA Canada Handbook Accounting Standards for Not-for-Profit Organizations. Significant accounting policies include the following:

(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.

Revenues 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.

Revenues 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, 2016

2. Significant Accounting Policies (continued)

(d) Capital Assets

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, 2016

2. Significant Accounting Policies (continued)

(i) 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, the estimated net recoverability of the funds advanced to PARTEQ Angel Network and the estimated useful life of capital assets. Management has made its best estimate for any impairment to the carrying values.

3. Investments

Investments are comprised of the following:

	<u>2016</u>	<u>2015</u>
1.15% Term deposit with Kawartha Credit Union, maturing March 25, 2017	\$165,004	\$162,720
1.15% Term deposit with Kawartha Credit Union, maturing July 7, 2017	<u>110,108</u>	<u>108,369</u>
	<u>\$275,112</u>	<u>\$271,089</u>

4. Prepaid Expenses and Refundable Deposits

	<u>2016</u>	<u>2015</u>
Innovation Park office rent	\$10,600	\$8,333
Trade show registration	8,080	1,069
Travel costs	10,477	1,174
Memberships	1,681	3,122
Licenses & leases	-	631
Contracted services	<u>259</u>	<u>830</u>
	<u>\$31,097</u>	<u>\$15,159</u>

Kingston Economic Development Corporation
Notes to Financial Statements (continued)
Year Ended December 31, 2016

5. Board Restricted Funds

(a) Board restricted funds are comprised of:

	<u>2016</u>	<u>2015</u>
PARTEQ Angel Network Fund	<u>\$ 20,000</u>	<u>\$ 20,000</u>

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.

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

	<u>Board</u>	<u>Opening</u>	<u>Actual</u>	<u>Expenses</u>	<u>Ending</u>
	<u>Approved</u>	<u>Balance</u>	<u>Transfer</u>	<u>in Year</u>	<u>Balance</u>
			<u>in Year</u>	<u>in Year</u>	
Brier - Tourism	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2016

6. Capital Assets

	<u>2016</u>		<u>2015</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>
Computer software	\$ 136,311	\$ 98,672	\$ 37,639
Computer hardware	160,468	155,769	4,699
Furniture and equipment	107,755	104,868	2,887
Display units	48,861	48,861	-
Signage	117,888	105,998	11,890
Voicemail system	34,444	34,444	-
Leasehold improvements - Innovation Park	175,193	130,247	44,946
CRM System	<u>39,938</u>	<u>20,859</u>	<u>19,079</u>
	<u>\$820,858</u>	<u>\$699,718</u>	<u>\$123,042</u>

Cost and accumulated amortization in 2015 were \$740,398 and \$617,356 respectively.

7. Deferred Revenue

Deferred revenue consists of cash received in advance for operations for which the related expenses will not be recognized until a later period. The deferred revenue is comprised of:

	<u>2016</u>	<u>2015</u>
Provincial Grants – Business Development	\$ 144,519	\$ 29,051
Partnership Revenue – Tourism	<u>17,855</u>	<u>-</u>
Balance at end of the year	<u>\$ 162,374</u>	<u>\$ 29,051</u>

8. Deferred Contributions Related to Capital Assets

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

	<u>2016</u>	<u>2015</u>
Balance at beginning of year	\$ 62,147	\$ 79,346
Less amounts amortized to revenue - Innovation Park	<u>(17,199)</u>	<u>(17,199)</u>
Balance at end of year	<u>\$ 44,948</u>	<u>\$ 62,147</u>

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2016

9. Deferred Lease Inducements

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

	<u>2016</u>	<u>2015</u>
Balance at beginning of year	\$ 52,322	\$ 64,822
Add straight-line rent expense for the year	112,500	112,500
Less rents paid during the year	<u>(125,000)</u>	<u>(125,000)</u>
Balance at end of year	<u>\$ 39,822</u>	<u>\$ 52,322</u>

10. Investment in Capital Assets

Net assets invested in capital assets are calculated as follows:

	<u>2016</u>	<u>2015</u>
Capital assets	\$ 121,140	\$ 123,042
Less deferred contributions to related capital assets	<u>(44,948)</u>	<u>(62,147)</u>
	<u>\$ 76,192</u>	<u>\$ 60,895</u>

11. Bank Credit Facility

The Corporation has a short-term line of credit facility of \$100,000 (2015 - \$100,000) of which none had been drawn as at December 31, 2016. The line of credit bears interest at the lender's prime rate and is secured by a general security agreement.

12. Commitments and Contingencies

- (a) The Corporation is committed to a lease for office space under an operating lease expiring July 2019. The annual lease payments 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 \$56,329 (2015- \$55,393).
- (c) The Corporation is committed to a service level agreement with the City of Kingston for accounting and reporting services. The annual charge for these services amounted to \$35,616 (2015 - \$30,528).

Kingston Economic Development Corporation

Notes to Financial Statements (continued)

Year Ended December 31, 2016

12. Commitments and Contingencies (continued)

- (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, 2019. The Corporation paid rent of \$38,574 (2015 - \$37,817).
- (e) The Corporation is committed to a three-year contract with Lean Advisors Online, Inc. for a new online learning system. An initial payment of \$20,000 was made in 2016, with commitments of \$10,000 in each of 2017 and 2018. In addition there is a commitment for technical support services up to a maximum of \$1,750.

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 \$5.7 billion (at December 31, 2016) 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 2016 was \$86,836 (2015 - \$120,948) 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. There has been no change to the risk exposure from December 31, 2015 and there is expected to be no substantial change in the next fiscal year.

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.

Kingston Economic Development Corporation
Notes to Financial Statements (continued)
Year Ended December 31, 2016

15. Related Party Transactions (continued)

The Corporation operates under a service level agreement with the City whereby the City pays certain expenses on behalf of the Corporation. The Corporation has a \$258,072 receivable from the City at year-end related to annual funding outstanding and its service level agreement. In the prior year the Corporation had a \$227,821 payable to the City of Kingston at year-end.

The City provided revenues of \$2,615,901 (2015 - \$2,707,766) 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 Corporation allocates various administration expenses from the Corporate department to the Business Development and Tourism departments on the Schedule of Operations by Department. The allocation of the administration expenses is 60% to Business Development and 40% to Tourism. The allocation is based on the number of staff supporting each department.

18. Restructuring of Tourism Kingston

During the 2016 Review Process, it was confirmed by City Council that the Destination Marketing Organization portfolio would be separated from the Kingston Economic Development Corporation. This separation of Tourism Kingston into a standalone not-for-profit Corporation is anticipated to be completed by mid-year 2017. This will have a significant impact on the Kingston Economic Development Corporation's assets, liabilities and fund balances in 2017 and beyond, however, at this time, it is not possible to quantify the financial effects of the future corporate separation.

Kingston Economic Development Corporation
Schedule of Operations by Department
Year Ended December 31, 2016

	Corporate	Business Development	Tourism Kingston	Total 2016	Total 2015
Revenues:					
Contributions from the Corporation of the City of Kingston	\$ 227,172	\$1,304,956	\$1,083,773	\$2,615,901	2,707,766
Provincial government contributions	-	273,862	1,526	275,388	187,578
Federal government contributions	-	45,703	-	45,703	47,514
Resale materials	-	-	156,030	156,030	203,679
Events and seminars	508	11,500	56,780	68,788	54,065
Partnership revenue and corporate investors	-	8,764	60,779	69,543	31,998
Amortization of deferred contributions	17,199	-	-	17,199	17,199
Commissions & online reservations (net)	-	-	19,114	19,114	16,428
Interest	6,852	44	-	6,896	7,785
Total Revenues	251,731	1,644,829	1,378,002	3,274,562	3,274,012
Expenses:					
Accounting and legal	74,322	2,313	-	76,635	69,967
Advertising	56,042	85,631	242,337	384,010	351,288
Amortization	82,362	-	-	82,362	60,026
Bank charges	12,374	-	75	12,449	11,323
Equipment rental	1,645	30	2,247	3,922	4,244
Events and meetings	33,554	121,597	58,794	213,945	207,142
Information technology support	56,329	-	-	56,329	55,393
Insurance	8,069	-	-	8,069	7,792
Memberships and licenses	18,928	12,905	27,770	59,603	49,157
Office and miscellaneous	24,016	3,042	27,663	54,721	12,611
Allocated administration	(405,541)	243,336	162,205	-	-
Professional contractors	99,084	92,783	55,911	247,778	148,479
Professional development	33,358	2,805	-	36,163	34,462
Rent	115,718	280	41,634	157,632	153,027
Resale materials	-	-	79,854	79,854	91,072
Salaries and benefits	136,809	674,615	539,234	1,350,658	1,736,176
Sponsorships and donations	7,203	59,587	143,735	210,525	142,412
Telephone	13,833	968	1,370	16,171	24,909
Travel	4,584	44,400	22,392	71,376	86,737
Total Expenses	372,689	1,344,292	1,405,221	3,122,202	3,246,217
Excess (deficiency) of revenues over expenses before the undernoted item	(120,958)	300,537	(27,219)	152,360	27,795
Expenses of board restricted funds	-	-	-	-	81,223
Excess (deficiency) of revenues over expenses	\$ (120,958)	\$ 300,537	\$ (27,219)	\$ 152,360	\$ (53,428)