AUSTIN CONVENTION AND VISITORS BUREAU

Consolidated Financial Statements as of and for the Years Ended September 30, 2015 and 2014 and Independent Auditors' Report

MAXWELL & LOCKE & RITTER

AUSTIN CONVENTION AND VISITORS BUREAU

TABLE OF CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Austin Convention and Visitors Bureau:

We have audited the accompanying consolidated financial statements of Austin Convention and Visitors Bureau and its affiliate, Austin Sports Commission, (nonprofit organizations) (collectively, "ACVB"), which comprise the consolidated statements of financial position as of September 30, 2015 and 2014, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ACVB as of September 30, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidated schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Maxwell Locke + Ritter LLP

Austin, Texas
December 10, 2015

AUSTIN CONVENTION AND VISITORS BUREAU

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2015 AND 2014

	2015	2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 4,065,823	$ 3,277,226
Marketable investments	360,005	313,040
Accounts receivable	1,402,087	1,024,265
Inventory	257,814	262,746
Prepaid expenses	357,158	224,003
Security deposits	59,585	25,420
Total current assets	6,502,472	5,126,700
PROPERTY AND EQUIPMENT, net	1,361,355	1,102,515
TOTAL	$ 7,863,827	$ 6,229,215
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	$ 394,929	$ 212,991
Accrued expenses	482,045	474,197
Heritage grants payable	371,635	315,296
Deferred revenue	-	9,250
Current portion of long-term debt	101,577	96,432
Total current liabilities	1,350,186	1,108,166
LONG-TERM DEBT	573,532	658,623
DEFERRED RENT	145,446	15,276
DEFERRED COMPENSATION	324,603	293,454
Total liabilities	2,393,767	2,075,519
NET ASSETS:		
Unrestricted	5,465,685	4,149,321
Temporarily restricted	4,375	4,375
Total net assets	5,470,060	4,153,696
TOTAL	$ 7,863,827	$ 6,229,215

See notes to consolidated financial statements.

AUSTIN CONVENTION AND VISITORS BUREAU

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
CHANGE IN UNRESTRICTED NET ASSETS:		
Revenues:		
Revenue from the City of Austin	$ 12,410,510	$ 11,032,841
Sponsorships	662,752	345,289
In-kind contributions and donated services	651,566	758,053
Merchandise sales, net of cost of sales of $873,339 and $744,276, respectively	301,665	243,023
Housing and registration services	292,697	270,395
Other revenues	57,391	51,300
Total revenues	14,376,581	12,700,901
Expenses:		
Programs:		
Convention sales	3,513,030	3,095,678
Advertising	2,771,651	2,440,833
Convention services	1,011,157	541,828
Strategic partnership	961,366	1,029,461
Visitors' center	668,879	561,661
Marketing and communications	673,153	552,788
Tourism sales	467,848	510,295
Austin Sports Commission	343,228	297,067
Film commission	232,723	216,098
Housing	231,711	202,692
Music office	209,850	176,118
Heritage tourism	192,250	140,883
Total program expenses	11,276,846	9,765,402
Supporting services-		
Administrative	1,783,371	1,649,888
Total expenses	13,060,217	11,415,290
CHANGE IN UNRESTRICTED NET ASSETS	1,316,364	1,285,611
NET ASSETS, BEGINNING OF YEAR	4,153,696	2,868,085
NET ASSETS, END OF YEAR	$ 5,470,060	$ 4,153,696

See notes to consolidated financial statements.

AUSTIN CONVENTION AND VISITORS BUREAU

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,316,364	$ 1,285,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	192,451	121,144
Loss on the disposal of property and equipment	4,004	-
Unrealized gain on marketable investments	(46,965)	(36,693)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	(377,822)	168,237
Inventory	4,932	(68,565)
Prepaid expenses	(133,155)	58,782
Security deposits	(34,165)	(3,462)
Accounts payable	181,938	61,872
Accrued expenses	7,848	140,755
Heritage grants payable	56,339	(36,853)
Deferred revenue	(9,250)	(2,500)
Deferred rent	130,170	(30,549)
Deferred compensation	31,149	34,163
Net cash provided by operating activities	1,323,838	1,691,942
CASH FLOWS FROM INVESTING ACTIVITIES-		
Purchases of property and equipment	(455,295)	(1,079,733)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings on long-term debt	-	733,482
Payments on long-term debt	(79,946)	(5,772)
Net cash (used in) provided by financing activities	(79,946)	727,710
NET CHANGE IN CASH AND CASH EQUIVALENTS	788,597	1,339,919
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,277,226	1,937,307
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 4,065,823	$ 3,277,226
SUPPLEMENTAL DISCLOSURE-		
Cash paid for interest	$ 39,472	$ 12,931

See notes to consolidated financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization - The Austin Convention and Visitors Bureau (the "Bureau") is a private, 501(c)(6) corporation. The Bureau is charged with marketing Austin nationally and internationally as a premier business and leisure destination, thus enriching the community's overall quality of life. The Bureau's Sales department actively pursues meetings and conventions to choose Austin for their events. This is done by attending trade shows, conducting sales missions and client events and by direct sale to clients. To support conventions that are in town, Convention Services provides meeting and convention organizers with the services and information that they need to meet successfully in Austin. Additionally, they assist in providing housing services for groups and temporary registration and welcome staff. The Tourism Sales department works with tour companies, both domestically and internationally, to have Austin included on their itineraries. Marketing and Communications coordinates a robust print, online and experiential advertising campaign for Austin, in addition to managing a full suite of interactive tools for visitors. They also work with media to create press coverage of the area. The Film Commission actively works with location scouts to find appropriate filming locations in Austin. Additionally, they act as a liaison between film makers and the local film industry. The Music Office promotes Austin music domestically and internationally, they also work as a liaison between Austin musicians and convention planners who book local musicians to provide entertainment for their events. The Austin Visitors' Center provides an "on ground" presence to provide services to visitors in Austin in addition to running a robust retail store to showcase Austin merchandise.

The Austin Sports Commission (the "Commission"), an affiliate of the Bureau, was formed on June 26, 2006, for the purpose of promoting, expanding, and retaining professional and amateur sporting events in the Greater Austin Area. The Executive Committee of the Bureau has the power to make, alter, amend, and repeal the bylaws of the Commission. In addition, the Executive Committee of the Bureau controls the appointment of the Board of Directors of the Commission. Also, the Bureau is responsible for the liabilities of the Commission. Consolidation of the Commission by the Bureau is required as the Bureau has both control over and an economic interest in the Commission. The consolidated financial statements include the accounts of the Bureau and the Commission (collectively, "ACVB"). All significant inter-company transactions and balances have been eliminated in consolidation.

Basis of Presentation - The consolidated financial statements are presented in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). Under the accrual basis of accounting, revenue is recognized when earned regardless of when collected, and expenses are recognized when the obligation is incurred regardless of when paid.

Net assets, revenues and expenses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of ACVB and changes therein are classified as follows:

Unrestricted - These types of net assets are not subject to donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other 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. All contributions are considered to be available for unrestricted use unless specifically restricted by a donor.

Temporarily Restricted - These types of net assets are subject to donor imposed stipulations, which limit their use by ACVB to a specific purpose and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions. Donor imposed restrictions that are met within the same reporting period of the contribution are reported as unrestricted support. Temporarily restricted net assets of $4,375 were restricted for the Restore Austin Fund as of September 30, 2015 and 2014.

Permanently Restricted - These types of net assets are not currently available for use in the operations of ACVB and their limitations neither expire by passage of time nor can be fulfilled or otherwise removed by actions of ACVB. ACVB has not received any permanently restricted contributions to date as of September 30, 2015.

Use of Estimates - The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents - ACVB considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

Level 1 **-** Inputs based on quoted prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 **-** Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 **-** Unobservable inputs that reflect the entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach **-** uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach **-** uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach **-** uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Marketable Investments - Marketable investments consist of publicly traded stock and variable annuity funds and are carried at fair market value based on quoted market prices. Any changes in market value are reported in other revenue in the consolidated statements of activities. All marketable investments were measured at fair value using the market approach. Variable annuity funds are intended to fund the deferred compensation liability in future years.

Accounts Receivable - Accounts receivable are recorded at the value of the revenue earned and generally require payment within thirty days. Receivable balances over thirty days old are considered delinquent and management begins collection efforts at that time. Delinquent invoices do not accrue interest. ACVB continually monitors the credit worthiness of each account and recognizes allowances for estimated bad debt on accounts that are no longer estimated to be collectible. ACVB regularly adjusts any allowance for subsequent collections and final determination that a balance is no longer collectible. ACVB had no allowance for bad debt as of September 30, 2015 or 2014, as management deemed all outstanding balances to be collectible.

Inventory - Inventory is valued at the lower of cost (first-in first-out retail method) or market. Inventory includes purchased promotional items and visitor center merchandise classified as finished goods. Management estimates a reserve for obsolete inventory based on a review of specific inventory items at risk for obsolescence. No obsolescence reserve was considered necessary as of September 30, 2015 or 2014.

Property and Equipment - Property and equipment are recorded at cost if purchased or at fair value if donated. ACVB capitalizes all acquisitions of property and equipment in excess of $1,000 with a useful life of three or more years. Gains and losses on disposals of property and equipment are recognized during the year of disposition in the consolidated statement of activities. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, ranging from 5 to 7 years for office equipment and vehicles, or the lesser of the useful life or term of the lease for leasehold improvements, ranging from 10 - 17 years.

Impairment of Long-Lived Assets - Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset exceeds fair value, if the carrying amount of the asset is not recoverable. No impairment losses have been recognized during the years ended September 30, 2015 or 2014.

Heritage Grants - Grants are provided to assist organizations in preserving historic properties that are proven tourism attractions, or are located in areas that are frequented by tourists. Nonprofits are the only organizations eligible to receive these grant funds.

Deferred Compensation - ACVB has a tax exempt 457(b) deferred compensation plan under which two highly compensated key employees are eligible to participate - one active employee and one former employee. Amounts deferred under the plan by participants are invested by ACVB through the designation of an administrator, but the investments are directed by the participants. All amounts deferred under the plan by participants, all property and rights purchased with these amounts, and all income attributable are the sole property of ACVB and fully subject to claims by ACVB's general creditors. Participants are eligible to receive distributions under the plan upon severance from employment, an unforeseeable emergency or the election of a small balance distribution.

Revenue from the City of Austin - ACVB receives substantially all of its revenue from the City of Austin (the "City") under an agreement to perform certain services related to its stated purpose in exchange for a percentage of hotel occupancy tax revenue that is collected by the City. The payments are subject to annual appropriation by the City and the ability of the City to collect such tax proceeds. The current agreement with the City expires on September 30, 2016 with an option to renew for an additional five-year term. Revenues are considered earned when the City earns hotel occupancy tax revenues. Revenues earned but not received in cash are recorded as accounts receivable.

In-kind Contributions - Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the consolidated financial statements as in-kind contributions are offset by equal amounts included in expenses or additions to property and equipment.

Donated Services - Contributions of services are recognized at their estimated fair market value if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing these skills, and would typically need to be purchased if not provided by donation. The amounts included in the consolidated financial statements as donated services are offset by equal amounts included in expenses.

Advertising Costs - ACVB expenses advertising costs as incurred. Total advertising expense for the years ended September 30, 2015 and 2014, was $2,771,651 and $2,440,833, respectively.

Functional Allocation of Expenses - The majority of expenses can generally be identified with the program or supporting service to which they relate and are charged accordingly. Other expenses are allocated by function to components of these services based on allocation factors determined by management.

Concentration of Credit Risk - Financial instruments that potentially subject ACVB to credit risk consist of cash and cash equivalents, marketable investments and accounts receivable. ACVB places its cash and cash equivalents with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits.

Marketable investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the consolidated statements of financial position.

The City accounted for 94% and 99% of gross accounts receivable as of September 30, 2015 and 2014, respectively. The City accounted for 86% and 87% of total revenues for the years ended September 30, 2015 and 2014, respectively. ACVB generally does not maintain collateral for its accounts receivable and management does not believe a significant risk exists.

Income Taxes - The Bureau and the Commission are both nonprofit corporations that are exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code, except to the extent of any unrelated business income. The Bureau and the Commission did not incur any significant tax liabilities due to unrelated business income during the years ended September 30, 2015 or 2014. The Bureau and the Commission file a Form 990 tax return in the U.S. federal jurisdiction and are subject to routine examinations of their returns; however, there are no examinations currently in progress. The fiscal year 2012 and subsequent tax years remain subject to examination by the Internal Revenue Service.

Recently Issued Accounting Pronouncements - In May 2014 and August 2015, the FASB issued Accounting Standards Update ("ASU") No. 2014-09 and No. 2015-14, *Revenue from Contracts with Customers*, which supersede the revenue recognition requirements in ASC 605, *Revenue Recognition*, and most industry-specific guidance included in the ASC. The standard requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The standard is effective retrospectively for fiscal years beginning after December 15, 2018 and early adoption is permitted. ACVB is currently evaluating the impact the new standard will have on its consolidated financial statements.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements - Going Concern*, which provides guidance about management's responsibility to evaluate on an annual basis whether there is substantial doubt about an entity's ability to continue as a going concern within one year after the date that the financial statements are available to be issued and to provide certain related footnote disclosures. The standard is effective for fiscal years ending after December 15, 2016, and due to the change in requirements for reporting, presentation and disclosure of future evaluations of the entity's ability to continue as a going concern may be different than under current standards.

2. MARKETABLE INVESTMENTS

Marketable investment fair values were as follows at September 30, 2015:

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Variable annuity funds	$ 324,603	$ -	$ 324,603	$ -
Publicly traded stocks	35,402	35,402	-	-
Total marketable investments	$ 360,005	$ 35,402	$ 324,603	$ -

Marketable investment fair values were as follows at September 30, 2014:

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Variable annuity funds	$ 293,454	$ -	$ 293,454	$ -
Publicly traded stocks	19,586	19,586	-	-
Total marketable investments	$ 313,040	$ 19,586	$ 293,454	$ -

3. PROPERTY AND EQUIPMENT

Property and equipment was comprised of the following at September 30:

	2015	2014
Office equipment	$ 620,981	$ 668,247
Leasehold improvements	1,212,345	999,978
Vehicle	35,648	35,648
	1,868,974	1,703,873
Accumulated depreciation and amortization	(507,619)	(601,358)
Property and equipment, net	$ 1,361,355	$ 1,102,515

4. LONG-TERM DEBT

In March 2013, ACVB entered into a note payable for the purchase of a vehicle. The note payable is collateralized by the vehicle purchased, with principal and interest payments due monthly accruing interest at 2.9% and matures on March 1, 2018.

In December 2013, ACVB borrowed $733,482 under a promissory note payable (the “promissory note”) to finance the construction of leasehold improvements for a new visitors’ center. The promissory note is collateralized by substantially all of ACVB’s assets and accrues interest at 3.5%. Interest only payments were due monthly through September 2014. In October 2014, payments of principal and interest were due through the maturity date in September 2021. The promissory note agreement contains a financial covenant to maintain a debt service coverage, as defined in the promissory note.

Required principal payments on long-term debt obligations at September 30, 2015 were as follows for the years ended September 30:

2016	$ 101,577
2017	110,943
2018	114,856
2019	115,631
2020	116,409
Thereafter	115,693
Total	$ 675,109

5. COMMITMENTS

ACVB has non-cancelable operating leases related to office facilities and a visitor center. Total rental expense, including operating costs, for the years ended September 30, 2015 and 2014, was $530,496 and $421,664, respectively. Future minimum lease payments under operating leases at September 30, 2015 were as follows for the years ended September 30:

2016	$ 428,674
2017	440,287
2018	452,186
2019	467,669
2020	483,489
Thereafter	2,335,426
Total minimum lease payments	$ 4,607,731

6. IN-KIND CONTRIBUTIONS AND DONATED SERVICES

ACVB received in-kind contributions and donated services for the following programs and supporting services included in the consolidated statements of activities during the years ended September 30:

	2015	2014
Programs:		
Strategic partnership	$ 522,503	$ 684,204
Convention sales	129,063	67,639
Visitors’ center	-	5,330
Marketing and communications	-	880
Total in-kind contributions and donated services	$ 651,566	$ 758,053

In-kind contributions of tangible assets received during the years ended September 30, 2015 and 2014 were $539,348 and $585,733, respectively. Donated services received during the years ended September 30, 2015 and 2014 were $112,218 and $172,320, respectively. Services rendered were audio-visual labor, production and transportation related.

7. EMPLOYEE BENEFIT PLANS

ACVB has a qualified 401(k) deferred compensation plan (the "Plan") covering all employees that have completed 1,000 hours of qualified employment, reached 21 years of age and have been employed by ACVB for at least one year. Under the Plan, ACVB matches employees' contributions under elective deferral arrangements up to a maximum of seven percent of compensation. Total employer matching contributions were $234,742 and $235,513, for the years ended September 30, 2015 and 2014, respectively.

8. SUBSEQUENT EVENTS

ACVB has evaluated subsequent events through December 10, 2015 (the date the consolidated financial statements were available to be issued), and no events have occurred from the consolidated statement of financial position date through that date that would impact the consolidated financial statements.

SUPPLEMENTAL INFORMATION

AUSTIN CONVENTION AND VISITORS BUREAU

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2015

	Programs													Supporting Services	2015
	Convention Sales	Advertising	Convention Services	Strategic Partnership	Visitors' Center	Marketing and Communications	Tourism Sales	Austin Sports Commission	Film Commission	Housing	Music Office	Heritage Tourism	Total	Administrative	Total Expenses
Wages and salaries	$ 1,510,004	625	363,917	186,705	327,609	312,199	208,415	155,992	137,212	92,350	57,115	-	3,352,143	885,319	4,237,462
Project costs:															
Trade shows	216,565	-	4,300	3,345	-	3,639	63,424	7,978	2,352	-	17,537	-	319,140	1,572	320,712
FAMS and site visits	89,171	-	10,366	7	-	8,629	7,462	2,798	-	-	500	-	118,933	-	118,933
Client development	427,936	25,749	428,288	3,102	32	11,553	22,795	45,891	2,073	-	80,849	-	1,048,268	2,323	1,050,591
Local meetings/transportation	9,514	-	4,389	1,424	2,208	1,349	1,509	3,557	388	7	2,184	-	26,529	32,393	58,922
Special projects	265,019	9,672	7,481	91,505	625	2,407	12,572	26,775	27,619	-	22,491	-	466,166	7,015	473,181
Education seminars	28,565	-	5,913	4,982	-	16,260	2,281	-	-	-	762	-	58,763	10,696	69,459
Total Project Costs	1,036,770	35,421	460,737	104,365	2,865	43,837	110,043	86,999	32,432	7	124,323	-	2,037,799	53,999	2,091,798
Employee benefits	389,700	-	87,221	48,932	97,323	95,727	47,359	35,290	34,404	26,206	17,044	-	879,206	284,327	1,163,533
Media placement	-	1,884,520	-	-	-	-	-	95	-	-	-	-	1,884,615	-	1,884,615
Contracts	15,233	-	3,118	2,287	-	3,751	1,833	1,626	787	884	503	-	30,022	18,976	48,998
Production costs	-	835,112	19,491	103	-	-	-	-	-	-	-	-	854,706	-	854,706
Rent and utilities	201,844	-	37,156	26,112	76,781	47,740	20,942	19,022	8,994	10,080	7,075	-	455,746	77,928	533,674
Donated services	120,133	-	8,930	522,503	-	-	-	-	-	-	-	-	651,566	-	651,566
Heritage grants	-	-	-	-	-	-	-	-	-	-	-	192,250	192,250	-	192,250
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	192,451	192,451
Research	59,446	-	-	-	-	50,173	221	-	-	-	-	-	109,840	-	109,840
Office supplies	13,905	-	3,079	1,422	14,465	2,151	877	1,149	852	381	336	-	38,617	16,197	54,814
Information technology	51,824	-	9,464	5,853	20,207	20,236	4,443	6,097	2,628	4,366	1,260	-	126,378	27,454	153,832
Telephone	28,259	-	4,757	3,349	9,538	5,408	3,091	2,128	922	538	829	-	58,819	11,531	70,350
Housing costs	-	-	-	-	-	-	-	-	-	95,250	-	-	95,250	-	95,250
Postage	2,148	-	1,672	89	1,601	37,003	23	-	24	-	24	-	42,584	2,196	44,780
Dues and subscriptions	6,407	-	1,597	102	1,785	1,806	421	227	12	-	-	-	12,357	5,925	18,282
Contract services	22,835	-	3,380	974	379	2,949	67,157	3,981	12,908	-	195	-	114,758	14,752	129,510
Insurance	-	8,245	1,000	54,980	-	16,000	-	-	-	-	-	-	80,225	108,000	188,225
Professional fees	19,863	-	3,917	2,982	3,373	4,645	2,463	2,113	1,109	1,158	757	-	42,380	10,284	52,664
Bank and credit card fees	4,383	-	1,201	580	2,198	1,300	537	28,489	429	480	383	-	39,980	33,994	73,974
Interest	-	-	-	-	34,399	-	-	-	-	-	-	-	34,399	4,029	38,428
Collateral	-	-	-	-	38,557	-	-	-	-	-	-	-	38,557	915	39,472
Fulfillment costs	3,385	6,512	482	-	26,476	-	-	-	-	-	-	-	36,855	-	36,855
Delivery	-	-	-	-	-	21,287	-	-	-	-	-	-	21,287	-	21,287
Printing and typesetting	-	-	-	-	-	6,875	-	-	-	-	-	-	6,875	1,200	8,075
Taxes	20	-	-	-	16	-	-	-	-	-	-	-	36	2,102	2,138
Maintenance contracts	26,288	-	-	-	754	-	-	-	-			-	27,042	2,656	29,698
Repairs and maintenance	345	1,216	38	28	10,078	106	23	20	10	11	6	-	11,881	3,561	15,442
Office relocation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	24,103	24,103
Miscellaneous	238	-	-	-	475	(40)	-	-	-	-	-	-	673	1,472	2,145
	$ 3,513,030	**2,771,651**	**1,011,157**	**961,366**	**668,879**	**673,153**	**467,848**	**343,228**	**232,723**	**231,711**	**209,850**	**192,250**	**11,276,846**	**1,783,371**	**13,060,217**