

WILD SALMON CENTER

Audited Consolidated Financial Statements

For the Years Ended
December 31, 2017 and 2016



MCDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wild Salmon Center

We have audited the accompanying consolidated financial statements of Wild Salmon Center (a nonprofit corporation), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, 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 consolidated 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 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 auditor's 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 organization'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 organization'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 Wild Salmon Center as of December 31, 2017 and 2016, and changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information in Schedules I and II (supplementary information) is presented for purposes of additional analysis and is 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McDonald Jacobson, P.C.

Portland, Oregon
April 9, 2018

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,999,214	\$ 4,828,022
Investments	5,890,900	4,942,432
Accounts receivable	27,316	32,931
Pledges receivable, current portion	1,122,126	917,127
Prepaid expenses, deposits, and supplies	97,804	102,294
Total current assets	11,137,360	10,822,806
Pledges receivable, net	1,927,324	2,414,833
Property and equipment, net	-	6,383
TOTAL ASSETS	\$ 13,064,684	\$ 13,244,022
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 327,228	\$ 165,329
Deferred revenue	-	35,400
Total liabilities	327,228	200,729
Net assets:		
Unrestricted:		
Undesignated	3,306,985	3,256,516
Board designated	775,000	775,000
Total unrestricted	4,081,985	4,031,516
Temporarily restricted	8,655,471	9,011,777
Total net assets	12,737,456	13,043,293
TOTAL LIABILITIES AND NET ASSETS	\$ 13,064,684	\$ 13,244,022

See notes to consolidated financial statements.

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the years ended December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support:						
Grants and contributions	\$ 1,304,452	\$ 2,089,354	\$ 3,393,806	\$ 1,070,756	\$ 3,709,685	\$ 4,780,441
Donated materials and services	48,644	29,600	78,244	16,853	-	16,853
Investment income	69,392	43,325	112,717	31,429	6,124	37,553
Net realized/unrealized gains	115,217	134,206	249,423	72,847	10,527	83,374
Other income	15,986	300	16,286	1,898	35	1,933
Net assets released from restrictions:						
Satisfaction of purpose and time restrictions	<u>2,653,091</u>	<u>(2,653,091)</u>	<u>-</u>	<u>2,491,145</u>	<u>(2,491,145)</u>	<u>-</u>
Total revenue and support	<u>4,206,782</u>	<u>(356,306)</u>	<u>3,850,476</u>	<u>3,684,928</u>	<u>1,235,226</u>	<u>4,920,154</u>
Expenses:						
Program services:						
North America Program	1,761,476	-	1,761,476	1,490,221	-	1,490,221
Western Pacific Network	511,930	-	511,930	607,081	-	607,081
Science	211,791	-	211,791	173,935	-	173,935
Communications and other programs	<u>443,424</u>	<u>-</u>	<u>443,424</u>	<u>411,035</u>	<u>-</u>	<u>411,035</u>
Total program services	2,928,621	-	2,928,621	2,682,272	-	2,682,272
General and administrative	434,232	-	434,232	344,492	-	344,492
Development and fundraising	<u>793,460</u>	<u>-</u>	<u>793,460</u>	<u>714,005</u>	<u>-</u>	<u>714,005</u>
Total expenses	<u>4,156,313</u>	<u>-</u>	<u>4,156,313</u>	<u>3,740,769</u>	<u>-</u>	<u>3,740,769</u>
Change in net assets	50,469	(356,306)	(305,837)	(55,841)	1,235,226	1,179,385
Net assets:						
Beginning of year	<u>4,031,516</u>	<u>9,011,777</u>	<u>13,043,293</u>	<u>4,087,357</u>	<u>7,776,551</u>	<u>11,863,908</u>
End of year	<u>\$ 4,081,985</u>	<u>\$ 8,655,471</u>	<u>\$ 12,737,456</u>	<u>\$ 4,031,516</u>	<u>\$ 9,011,777</u>	<u>\$ 13,043,293</u>

See notes to consolidated financial statements.

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash received from grants, contracts, and contributions	\$ 3,583,086	\$ 5,862,898
Other cash receipts	21,901	23,421
Investment earnings	112,717	37,553
Cash paid to employees and suppliers	<u>(3,905,297)</u>	<u>(3,742,040)</u>
Net cash provided by (used in) operating activities	<u>(187,593)</u>	<u>2,181,832</u>
 Cash flows from investing activities:		
Proceeds from the sale of investments	3,210,029	-
Purchases of investments	<u>(3,851,244)</u>	<u>(4,859,058)</u>
Net cash used in investing activities	<u>(641,215)</u>	<u>(4,859,058)</u>
 Net decrease in cash and cash equivalents	(828,808)	(2,677,226)
 Cash and cash equivalents - beginning of year	<u>4,828,022</u>	<u>7,505,248</u>
 Cash and cash equivalents - end of year	<u>\$ 3,999,214</u>	<u>\$ 4,828,022</u>
 Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ (305,837)	\$ 1,179,385
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	6,383	16,030
Donated stock	(57,830)	-
Net realized/unrealized gain on investments	(249,423)	(83,374)
(Increase) decrease in:		
Accounts and pledges receivable	288,125	1,068,545
Prepaid expenses, deposits, and supplies	4,490	(27,382)
Increase (decrease) in:		
Accounts payable and accrued expenses	161,899	(6,772)
Deferred revenue	<u>(35,400)</u>	<u>35,400</u>
 Net cash provided by (used in) operating activities	<u>\$ (187,593)</u>	<u>\$ 2,181,832</u>

See notes to consolidated financial statements.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization

Wild Salmon Center (the Organization or WSC), founded in 1992, is an incorporated association. The mission of Wild Salmon Center is to promote the conservation and sustainable use of wild salmon ecosystems across the Pacific Rim. WSC identifies science-based solutions to sustain wild salmonids and the human communities and livelihoods that depend on them. The primary source of revenue is contributions from foundations, individuals and businesses.

The Organization's primary programs include:

North America Program: The North America Program conducts conservation activities in the states of California, Oregon, Washington, and Alaska as well as British Columbia, Canada. Through collaboration with public and private partners, this Program focuses on building and leading coalitions to ensure the long-term abundance and viability of North America's strongest remaining wild salmon and steelhead populations.

Western Pacific Program: The Western Pacific Program is working to ensure effective long-term protection of a network of salmon strongholds in Russia. In collaboration with partners, this Program conducts conservation activities in Kamchatka, Sakhalin Island, and in the Khabarovsk region in the Russian Far East.

Science Program: Wild Salmon Center's Science Program conducts research and draws together the best available information and data, so that the Organization and its partners can best conserve the North Pacific's wild salmon ecosystems.

Stronghold Fund: WSC has established a new Fund, to be spent on the highest priority wild salmon and steelhead conservation and partnership initiatives throughout the Pacific Rim. The Fund will target only the richest, strongest wild salmon and steelhead rivers in the Pacific.

Basis of Presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as unrestricted or restricted net assets. Unrestricted net assets are those that are not subject to donor-imposed stipulations. Temporarily restricted net assets are subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Consolidated Financial Presentation

The consolidated financial statements include the accounts of Wild Salmon Center and North Pacific Salmon Trust(Stronghold Fund), a nonprofit organization established to facilitate one of WSC's programs (collectively, the Organization). All inter-organization transactions and balances have been eliminated.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less, at the time of purchase, to be cash equivalents.

Investments

Investments are carried at fair value.

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Management provides for probable uncollectible amounts through a charge to the change in net assets and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable. At December 31, 2017 and 2016, management believes that any amounts that may be uncollectible are immaterial.

Pledges Receivable

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable.

Property and Equipment

Additions to property and equipment with values exceeding \$5,000 are capitalized. Property and equipment are carried at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Grants and Contributions

Grants and other contributions of cash and other assets are reported as unrestricted support unless they are received with donor restrictions that limit their use. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.

Donated Materials and Services

In-kind contributions of equipment and other materials are recorded where there is an objective basis upon which to value these contributions and where the contributions are an integral part of the Organization's activities.

The Organization reports as revenue the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing these skills, and represent services that would have been purchased had they not been donated.

Some of the Organization's operations are staffed by volunteers. These volunteer services have not been recognized in the accompanying consolidated financial statements since the criteria for recording these contributed services have not been met.

Deferred Revenue

Fees received in advance for events to be held in a subsequent period are deferred and recorded as a liability and recognized as revenue during the period in which the event occurs.

Allocation of Expenses

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

Income Taxes

Wild Salmon Center and North Pacific Salmon Trust are exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and applicable state law. There is no provision for income taxes in the accompanying consolidated financial statements as the Organizations have no activities subject to unrelated business income tax. The Organizations are not private foundations.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Income Taxes, Continued

The Organization follows the provisions of FASB ASC *Topic Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the consolidated financial statements to comply with provisions of this Topic.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated all subsequent events through April 9, 2018, the date the consolidated financial statements were available to be issued.

2. PLEDGES RECEIVABLE

Pledges receivable are unsecured and due as follows at December 31:

	2017	2016
Due within one year	\$ 1,122,126	\$ 917,127
Due in two to five years	1,886,027	2,375,000
Over five years	275,000	400,000
Total pledges receivable	3,283,153	3,692,127
Less discount for long-term pledges	233,703	360,167
Net pledges receivable	<u>\$3,049,450</u>	<u>\$ 3,331,960</u>
Current	\$ 1,122,126	\$ 917,127
Long-term	1,927,324	2,414,833
Net pledges receivable	<u>\$3,049,450</u>	<u>\$ 3,331,960</u>

Long-term pledges are discounted to present value at a rate of 5%.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

3. INVESTMENTS

Investments are carried at fair value and consist of the following at December 31:

	<u>2017</u>	<u>2016</u>
Cash and equivalents	\$ 904,824	\$ 1,128,483
U.S. treasury securities	1,322,273	1,071,756
Corporate bonds	1,095,780	872,404
Equities	<u>2,568,023</u>	<u>1,869,789</u>
Total investments	<u>\$ 5,890,900</u>	<u>\$ 4,942,432</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2017</u>	<u>2016</u>
Furniture	\$ 131,495	\$ 131,495
Office equipment	34,636	34,636
Computer equipment	28,645	28,645
Leasehold improvements	67,545	67,545
Software	<u>612</u>	<u>612</u>
	262,933	262,933
Less accumulated depreciation	<u>262,933</u>	<u>256,550</u>
Property and equipment, net	<u>\$ -</u>	<u>\$ 6,383</u>

5. LINE OF CREDIT

The Organization has a \$500,000 line of credit with Wells Fargo Bank. Interest payments on the outstanding balance are to be made monthly at a floating rate equal to 1.0% over the bank prime rate or the floor rate of 5.0%, whichever is greater (5.5% as of December 31, 2017). The line of credit is secured by all supplies, receivables and equipment of the Organization and matures on June 1, 2018. There were no advances on the line at December 31, 2017 and 2016.

6. BOARD DESIGNATED NET ASSETS

Board designated net assets are held as an operating reserve and total \$775,000 at December 31, 2017 and 2016.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets, including time restricted pledges, are restricted to the following activities at December 31:

	2017	2016
North America Program	\$ 967,233	\$ 834,786
Western Pacific Network	304,513	737,168
Communications	-	15,115
Salmon Science	334,540	500,412
Stronghold Fund	6,899,185	6,924,296
Time restricted - general support	150,000	-
Total temporarily restricted net assets	\$ 8,655,471	\$ 9,011,777

8. SPECIAL EVENT

During 2017, the Organization held a special event which is reported in the statement of activities as follows:

Reported with contributions:	
Ticket sales	\$ 20,875
Other contributions	161,200
Reported with other income:	
Ticket sales	15,550
Event expenses reported in fundraising:	
Paid to other organizations	(6,400)
Event expenses	(62,987)
Net proceeds from special event	\$ 128,238

9. EMPLOYEE BENEFIT PLAN

The Organization has a defined contribution salary deferral 401(K) plan covering all eligible full-time employees based in the United States. Under the plan, these employees are eligible to contribute to the plan after six months of employment. Employees may contribute up to the statutory limit of their pre-tax earnings each period and the Organization will match employee contributions up to seven percent. The Organization's contributions to the plan during 2017 and 2016 totaled \$84,666 and \$77,133, respectively.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

10. LEASE COMMITMENTS

The Organization leases its Portland office facilities under an agreement expiring July 31, 2022. Current monthly rent is \$10,919 subject to annual increases. The Organization also leases office equipment under operating leases expiring through December 2020 and December 2021 with current monthly rent totaling \$760.

Total rent expense approximated \$137,500 and \$147,800 for 2017 and 2016, respectively.

Future minimum lease payments under non-cancelable leases are as follows:

Year ending December 31, 2018	\$ 141,500
2019	144,800
2020	148,200
2021	151,000
2022	<u>84,400</u>
Total	<u>\$ 669,900</u>

11. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in several financial institutions. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash balances in excess of insured limits were approximately \$3,213,000 and \$4,304,000 at December 31, 2017 and 2016, respectively.

Credit risk for pledges receivable is concentrated in that 79% and 81% of the balance is due from two board members and one foundation at December 31, 2017 and 2016, respectively. In addition, two grantors provided approximately 35% of the Organization's support for 2016.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2017 and 2016

12. FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis at December 31, 2017 and 2016 are as follows:

	Fair Value	Level 1	Level 2
<u>December 31, 2017</u>			
Investments:			
U.S. treasury securities	\$ 1,322,273	\$ 1,322,273	\$ -
Corporate bonds	1,095,780	-	1,095,780
Equity securities	2,312,102	2,312,102	-
Exchange traded funds	213,256	213,256	-
Real estate investment trust	42,665	-	42,665
 <u>December 31, 2016</u>			
Investments:			
U.S. treasury securities	\$ 1,071,756	\$ 1,071,756	\$ -
Corporate bonds	872,404	-	872,404
Equity securities	1,755,871	1,755,871	-
Exchange traded funds	85,633	85,633	-
Real estate investment trust	28,285	-	28,285

Fair value of investments in U.S. treasury and equity securities are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair value for investments in corporate bonds and the real estate investment trust are provided by custodians and are based on pricing models that incorporate available trade, bid and other market information.

SUPPLEMENTARY INFORMATION

WILD SALMON CENTER
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2017

	Wild Salmon Center	Stronghold Fund	Eliminating Entries	Consolidated Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,408,433	\$ 590,781	\$ -	\$ 3,999,214
Investments	1,762,640	4,128,260	-	5,890,900
Accounts receivable	27,316	-	-	27,316
Pledges receivable, current portion	597,126	525,000	-	1,122,126
Prepaid expenses, deposits, and supplies	97,804	-	-	97,804
Total current assets	5,893,319	5,244,041	-	11,137,360
 Pledges receivable, net	 272,180	 1,655,144	 -	 1,927,324
 TOTAL ASSETS	 \$ 6,165,499	 \$ 6,899,185	 \$ -	 \$ 13,064,684
 LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 327,228	\$ -	\$ -	\$ 327,228
Total liabilities	327,228	-	-	327,228
Net assets:				
Unrestricted:				
Undesignated	3,306,985	-	-	3,306,985
Board designated	775,000	-	-	775,000
Total unrestricted	4,081,985	-	-	4,081,985
Temporarily restricted	1,756,286	6,899,185	-	8,655,471
Total net assets	5,838,271	6,899,185	-	12,737,456
 TOTAL LIABILITIES AND NET ASSETS	 \$ 6,165,499	 \$ 6,899,185	 \$ -	 \$ 13,064,684

See independent auditor's report.

WILD SALMON CENTER
SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2017

	<u>Wild Salmon Center</u>	<u>Stronghold Fund</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
Revenue and support:				
Grants and contributions	\$ 3,522,260	\$ 221,546	\$ (350,000)	\$ 3,393,806
Donated materials and services	78,244	-	-	78,244
Investment income	69,392	43,325	-	112,717
Net realized/unrealized gains	115,217	134,206	-	249,423
Other income	16,286	-	-	16,286
Total revenue and support	<u>3,801,399</u>	<u>399,077</u>	<u>(350,000)</u>	<u>3,850,476</u>
Expenses:				
Program services:				
North America Program	1,761,476	-	-	1,761,476
Western Pacific Network	511,930	-	-	511,930
Science	211,791	-	-	211,791
Communications and other programs	369,236	424,188	(350,000)	443,424
Total program services	2,854,433	424,188	(350,000)	2,928,621
General and administrative	434,232	-	-	434,232
Development and fundraising	793,460	-	-	793,460
Total expenses	<u>4,082,125</u>	<u>424,188</u>	<u>(350,000)</u>	<u>4,156,313</u>
Change in net assets	(280,726)	(25,111)	-	(305,837)
Net assets:				
Beginning of year	<u>6,118,997</u>	<u>6,924,296</u>	<u>-</u>	<u>13,043,293</u>
End of year	<u>\$ 5,838,271</u>	<u>\$ 6,899,185</u>	<u>\$ -</u>	<u>\$ 12,737,456</u>

See independent auditor's report.