

**Audited Financial Statements**

**THE MUSEUM OF CONTEMPORARY ART  
DETROIT**

**December 31, 2017 and 2016**

## CONTENTS

|  | <u>Page</u> |
|--|-------------|
| <b>Independent Auditor's Report</b>    | 1 - 2       |
| <b>Financial Statements</b>            |             |
| Statements of financial position       | 3           |
| Statements of activities               | 4           |
| Statements of cash flows               | 5           |
| Notes to financial statements          | 6 - 10      |
| <b>Supplementary Information</b>       |             |
| Schedule of functional expenses – 2017 | 11          |
| Schedule of functional expenses – 2016 | 12          |

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Board of Directors of The Museum of Contemporary Art Detroit**

We have audited the accompanying financial statements of The Museum of Contemporary Art Detroit (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 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 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 judgment, 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 financial statements referred to above present fairly, in all material respects, the financial position of The Museum of Contemporary Art Detroit as of December 31, 2017 and 2016, 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on pages 11 and 12 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Croskey Lanni, PC

Rochester, Michigan  
July XX, 2018

# THE MUSEUM OF CONTEMPORARY ART DETROIT

## STATEMENTS OF FINANCIAL POSITION See Independent Auditor's Report

### ASSETS

|  | December 31, |              |
|--|--------------|--------------|
|  | 2017         | 2016         |
| <b>Current Assets</b>  |              |              |
| Cash and cash equivalents  | \$ 590,186   | \$ 275,378   |
| Contributions and grants receivable, net of allowance<br>of \$5,000 in 2017 and 2016 | 114,342      | 397,041      |
| Merchandise inventory  | 63,591       | 63,152       |
| Prepaid expenses   | 2,481        | 3,843        |
|  | 770,600      | 739,414      |
| Total current assets   |              |              |
| Property and equipment, net  | 770,579      | 798,577      |
| Intangible assets, net   | 25,147       | 34,054       |
|  | \$ 1,566,326 | \$ 1,572,045 |
| Total assets   |              |              |

### LIABILITIES AND NET ASSETS

|                                       |              |              |
|---------------------------------------|--------------|--------------|
| <b>Current Liabilities</b>            |              |              |
| Accounts payable and accrued expenses | \$ 107,554   | \$ 31,996    |
| Deferred revenue                      | 48,425       | 29,750       |
|                                       | 155,979      | 61,746       |
| Total current liabilities             |              |              |
| <b>Net Assets</b>                     |              |              |
| Unrestricted                          | 982,552      | 1,098,391    |
| Temporarily restricted                | 427,795      | 411,908      |
|                                       | 1,410,347    | 1,510,299    |
| Total net assets                      |              |              |
| Total liabilities and net assets      | \$ 1,566,326 | \$ 1,572,045 |

See accompanying notes to financial statements

# THE MUSEUM OF CONTEMPORARY ART DETROIT

## STATEMENTS OF ACTIVITIES See Independent Auditor's Report

|   | For the Year Ended<br>December 31, |                           |                     |                     |                           |                     |
|---|------------------------------------|---------------------------|---------------------|---------------------|---------------------------|---------------------|
|   | 2017                               |                           |                     | 2016                |                           |                     |
|   | Unrestricted                       | Temporarily<br>Restricted | Total               | Unrestricted        | Temporarily<br>Restricted | Total               |
| <b>Revenue and Other Support</b>  |                                    |                           |                     |                     |                           |                     |
| Contributions   | \$ 436,651                         | \$ -                      | \$ 436,651          | \$ 443,728          | \$ -                      | \$ 443,728          |
| Grants  | 371,920                            | 281,080                   | 653,000             | 516,582             | 279,241                   | 795,823             |
| Special events, net of direct costs of<br>\$126,489 in 2017 and \$112,077 in 2016 | 389,724                            | -                         | 389,724             | 318,483             | -                         | 318,483             |
| Store and Café sales, net of direct costs of<br>\$149,084 and \$30,287            | 57,356                             | -                         | 57,356              | 65,649              | -                         | 65,649              |
| Facility rentals  | 182,155                            | -                         | 182,155             | 130,249             | -                         | 130,249             |
| Interest income   | 291                                | -                         | 291                 | 242                 | -                         | 242                 |
| Other income  | 629                                | -                         | 629                 | 67                  | -                         | 67                  |
| Total revenue and support   | 1,438,726                          | 281,080                   | 1,719,806           | 1,475,000           | 279,241                   | 1,754,241           |
| <b>Net Assets Released from Restrictions</b>                                      | 265,193                            | (265,193)                 | -                   | 164,186             | (164,186)                 | -                   |
| Total   | 1,703,919                          | 15,887                    | 1,719,806           | 1,639,186           | 115,055                   | 1,754,241           |
| <b>Expenses</b>   |                                    |                           |                     |                     |                           |                     |
| Program expenses  | 1,402,360                          | -                         | 1,402,360           | 1,134,366           | -                         | 1,134,366           |
| Administrative expenses   | 288,755                            | -                         | 288,755             | 395,906             | -                         | 395,906             |
| Fundraising expenses  | 128,643                            | -                         | 128,643             | 85,879              | -                         | 85,879              |
| Total expenses  | 1,819,758                          | -                         | 1,819,758           | 1,616,151           | -                         | 1,616,151           |
| <b>Change in Net Assets</b>   | (115,839)                          | 15,887                    | (99,952)            | 23,035              | 115,055                   | 138,090             |
| <b>Net Assets - Beginning</b>   | 1,098,391                          | 411,908                   | 1,510,299           | 1,075,356           | 296,853                   | 1,372,209           |
| <b>Net Assets - Ending</b>  | <u>\$ 982,552</u>                  | <u>\$ 427,795</u>         | <u>\$ 1,410,347</u> | <u>\$ 1,098,391</u> | <u>\$ 411,908</u>         | <u>\$ 1,510,299</u> |

See accompanying notes to financial statements

## THE MUSEUM OF CONTEMPORARY ART DETROIT

### STATEMENTS OF CASH FLOWS See Independent Auditor's Report

|  | For the Year Ended<br>December 31, |            |
|--|------------------------------------|------------|
|  | 2017                               | 2016       |
| <b>Cash Flows From Operating Activities</b>  |                                    |            |
| Change in net assets   | \$ (99,952)                        | \$ 138,090 |
| Adjustments to reconcile change in net assets<br>to net cash provided by operating activities: |                                    |            |
| Loss on disposal of property and equipment   | 1,055                              | 636        |
| Depreciation   | 72,194                             | 70,659     |
| Amortization   | 12,122                             | 973        |
| (Increase) decrease in operating assets  |                                    |            |
| Contributions and grants receivables   | 282,699                            | (111,447)  |
| Inventory  | (439)                              | (24,153)   |
| Prepaid expenses   | 1,362                              | (982)      |
| Increase (decrease) in operating liabilities:  |                                    |            |
| Accounts payable and accrued expenses  | 75,558                             | 11,325     |
| Deferred revenue   | 18,675                             | 14,400     |
|  | 363,274                            | 99,501     |
| <b>Net Cash Provided by Operating Activities</b>   |                                    |            |
| <b>Cash Flows Used in Investing Activities</b>   |                                    |            |
| Purchases of property and equipment  | (48,466)                           | (60,032)   |
| Purchases of intangible assets   | -                                  | (35,027)   |
|  | (48,466)                           | (95,059)   |
| <b>Net Cash Used in Investing Activities</b>   |                                    |            |
| <b>Net Decrease in Cash and Cash Equivalents</b>   | 314,808                            | 4,442      |
| <b>Cash and Cash Equivalents - Beginning</b>   | 275,378                            | 270,936    |
| <b>Cash and Cash Equivalents - Ending</b>  | \$ 590,186                         | \$ 275,378 |

See accompanying notes to financial statements

# THE MUSEUM OF CONTEMPORARY ART DETROIT

## NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 See Independent Auditor's Report

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of The Museum of Contemporary Art Detroit (Museum) is presented to assist in understanding the Museum's financial statements. The financial statements and notes are representations of the Museum's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

#### **Nature of Museum**

The mission of The Museum of Contemporary Art Detroit is to present art at the forefront of contemporary culture. As a non-collecting institution, the Museum is responsive to the cultural content of our time, fueling crucial dialogue, collaboration, and public engagement.

The Museum prides itself on being an institution that promotes critical dialogue within the Detroit community and the surrounding region. In doing so the museum seeks to be a place where contemporary thought and expanding ideas are shared in a public forum. It is with this crucial aspect of the Museum's mission in mind that all of the Museum's exhibitions and programming are conceived.

#### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### **Financial Statement Presentation**

The Museum reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

#### **Revenue and Contributions**

Contributions and fund raising activities are generally available for unrestricted use in the year received. Unconditional promises to give are recorded as contributions in the year received. Unconditional promises to give in subsequent years are reflected at their present value using risk-free interest rates applicable to the year in which the promises are received to discount the amounts. Contributions of noncash assets are recorded at their fair market value in the period received.

#### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.



## **THE MUSEUM OF CONTEMPORARY ART DETROIT**

NOTES TO FINANCIAL STATEMENTS - Continued  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
See Independent Auditor's Report

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

#### **Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash on hand and demand deposits in banks plus short term investments that are readily convertible to cash as well as investments with original maturities of three months or less.

#### **Contributions and Grants Receivables**

Receivables are stated at net realizable value. An allowance for doubtful accounts is established based on a specific assessment of the amounts still owed at year-end. All amounts deemed uncollectible are charged against the allowance for doubtful accounts in the period such determination is made.

#### **Credit Risk**

The Museum maintains cash balances at a financial institution located in Michigan. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.

#### **Inventories**

Inventories are stated at cost with cost determined on a first-in, first-out method and contain items for retail sale in the Museum's gift shop.

#### **Recognition of Donor Restricted Contributions**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires or is satisfied in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

#### **Fair Value Measurements**

FASB ASC Topic 820, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 consist primarily of unobservable inputs and management's judgment. The carrying values of grants and contributions receivable and cash and cash equivalents in the accompanying statement of financial position approximate fair value at December 31, 2017 and 2016.

#### **Intangible Assets**

The initial identification and valuation of intangible assets and the determination of estimated useful lives at the time of acquisition involves the use of management judgements and estimates. Management evaluates the recoverability of intangible assets periodically by taking into account events or circumstances that may warrant revised estimates of useful lives or that indicate the asset may be impaired. The fair value of the Company's intangible assets are estimated and compared to their carrying value. Amortization is computed on the straight line-basis over a 36 month period.

## THE MUSEUM OF CONTEMPORARY ART DETROIT

NOTES TO FINANCIAL STATEMENTS - Continued  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
See Independent Auditor's Report

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Property and Equipment

Property and equipment purchased by the Museum is carried on its books at cost. Property and equipment donated to the Museum has been recorded at its estimated fair market value at the date of receipt by the Museum. Expenditures for major betterments and additions are charged to the property accounts, while replacements, maintenance and repairs which do not improve or extend the life of the respective assets are expensed currently.

Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

|                                      |              |
|--------------------------------------|--------------|
| Equipment and leasehold improvements | 5 - 10 years |
| Building                             | 40 years     |

It is the Museum's policy to capitalize expenditures in excess of \$1,000. Lesser amounts are expensed as incurred and included in the statement of activities.

#### Donated Services

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market value in the period received.

#### Functional Allocation of Expenses

Certain expenses have been allocated between programs, management and general, and fundraising on various bases and estimates. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different results.

#### Deferred Revenue

Deferred revenue consists of revenue received in the current year for special events that took place after the year end.

#### Income Taxes

The Museum is a non-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to tax under Federal income tax laws. The Organization is no longer subject to examination of its Federal Return of Organization Exempt from Income Tax (Form 990) filed for years before December 31, 2014.

#### Events Occurring After Reporting Date

The Organization has evaluated events and transactions for potential recognition or disclosure through July XX, 2018, the date that the financial statements were available to be issued.

## THE MUSEUM OF CONTEMPORARY ART DETROIT

NOTES TO FINANCIAL STATEMENTS - Continued  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
See Independent Auditor's Report

### NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, consist of the following:

|                                | <u>2017</u>       | <u>2016</u>       |
|--------------------------------|-------------------|-------------------|
| Equipment                      | \$ 139,693        | \$ 110,779        |
| Building and land              | 445,000           | 445,000           |
| Leasehold improvements         | 504,498           | 504,498           |
| Construction in progress       | 50,000            | 50,000.00         |
| Subtotal                       | 1,139,191         | 1,110,277         |
| Less: accumulated depreciation | 368,612           | 311,700           |
| Total property and equipment   | <u>\$ 770,579</u> | <u>\$ 798,577</u> |

Depreciation expense amounted to \$72,194 and \$70,659 for the years ended December 31, 2017 and 2016, respectively.

### NOTE 3 – INTANGIBLE ASSETS

Intangible assets at December 31, consist of the following:

|                                | <u>2017</u>      | <u>2016</u>      |
|--------------------------------|------------------|------------------|
| Website                        | \$ 38,242        | \$ 35,027        |
| Less: accumulated amortization | 13,095           | 973              |
| Total intangible assets        | <u>\$ 25,147</u> | <u>\$ 34,054</u> |

Amortization expense amounted to \$12,122 and \$973 for years ended December, 31 2017 and 2016. Amortization expense for the succeeding twenty-three months is expected to be \$1,062 per month.

## THE MUSEUM OF CONTEMPORARY ART DETROIT

NOTES TO FINANCIAL STATEMENTS - Continued  
 FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
 See Independent Auditor's Report

### NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available as of December 31, for the following purposes:

|                                | <u>2017</u>       | <u>2016</u>       |
|--------------------------------|-------------------|-------------------|
| Curator                        | \$ 176,827        | \$ 102,916        |
| Mike Kelley's Mobile Homestead | 71,460            | 76,795            |
| DEPE Space                     | 52,780            | 94,146            |
| Education programming          | 37,499            | -                 |
| Teen Council                   | 28,363            | 22,952            |
| The Intersection               | 20,000            | -                 |
| Hip Hop Architecture Workshop  | 15,000            | -                 |
| Sonic Rebellion Exhibit        | 12,098            | 67,000            |
| Tal R                          | 10,000            | -                 |
| Detroit City                   | 3,081             | 18,471            |
| Audio Equipment Upgrade        | 688               | 4,578             |
| Exhibitions 2016               | -                 | 17,550            |
| HVAC                           | -                 | 7,500             |
| Total                          | <u>\$ 427,796</u> | <u>\$ 411,908</u> |

Net assets were released from restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

|                                  | <u>2017</u>       | <u>2016</u>       |
|----------------------------------|-------------------|-------------------|
| Curator                          | \$ 66,090         | \$ -              |
| Sonic Rebellion Exhibit          | 54,902            | -                 |
| Mike Kelley's Mobile Homestead   | 45,835            | 16,634            |
| DEPE Space                       | 41,366            | 5,854             |
| Detroit City                     | 18,471            | 8,196             |
| Exhibitions 2016                 | 17,550            | 32,450            |
| Teen Council                     | 9,589             | 6,163             |
| HVAC                             | 7,500             | 42,500            |
| Audio Equipment Upgrade          | 3,890             | -                 |
| Challenge Grant 2013-2015        | -                 | 26,942            |
| University Advisory Council      | -                 | 15,000            |
| Detroit Speaks                   | -                 | 5,000             |
| MOCAD Strategic Planning Project | -                 | 3,334             |
| Technology grant                 | -                 | 2,113             |
| Total                            | <u>\$ 265,193</u> | <u>\$ 164,186</u> |

# SUPPLEMENTARY INFORMATION

## THE MUSEUM OF CONTEMPORARY ART DETROIT

SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
See Independent Auditor's Report

|                                  | <u>Program</u>      | <u>Administrative</u> | <u>Fundraising</u> | <u>Total</u>        |
|----------------------------------|---------------------|-----------------------|--------------------|---------------------|
| Salaries                         | \$ 608,977          | \$ 145,186            | \$ 100,539         | \$ 854,702          |
| Payroll taxes                    | 52,734              | 12,573                | 8,706              | 74,013              |
| Employee benefits                | 47,757              | 17,943                | 1,327              | 67,027              |
| Bank fees                        | -                   | 17,012                | -                  | 17,012              |
| Exhibition expenses:             |                     |                       |                    |                     |
| Artist and curator               | 16,104              | -                     | -                  | 16,104              |
| Installation                     | 51,468              | -                     | -                  | 51,468              |
| Shipping and freight             | 51,512              | -                     | -                  | 51,512              |
| General                          | 29,904              | -                     | -                  | 29,904              |
| Travel and related costs         | 14,213              | -                     | -                  | 14,213              |
| Print publication                | 20,428              | -                     | -                  | 20,428              |
| Insurance                        | -                   | -                     | -                  | -                   |
| Mobile homestead                 | 40,552              | -                     | -                  | 40,552              |
| Offsite project                  | 11,182              | -                     | -                  | 11,182              |
| Depreciation                     | 50,536              | 14,439                | 7,219              | 72,194              |
| Amoritization                    | 8,485               | 2,425                 | 1,212              | 12,122              |
| Loss on disposal of fixed assets | 739                 | 210                   | 106                | 1,055               |
| Insurance                        | 38,458              | 785                   | -                  | 39,243              |
| Office expense                   | 9,531               | 19,067                | 9,534              | 38,132              |
| Outside services                 | 83,451              | 35,765                | -                  | 119,216             |
| Professional fees                | -                   | 12,365                | -                  | 12,365              |
| Programming and education        | 163,492             | -                     | -                  | 163,492             |
| Repair and maintenance           | 53,185              | 1,085                 | -                  | 54,270              |
| Security                         | 1,494               | -                     | -                  | 1,494               |
| Travel and entertainment         | -                   | 8,917                 | -                  | 8,917               |
| Utilities                        | 48,158              | 983                   | -                  | 49,141              |
|                                  | <u>          </u>   | <u>          </u>     | <u>          </u>  | <u>          </u>   |
| Total expenses                   | <u>\$ 1,402,360</u> | <u>\$ 288,755</u>     | <u>\$ 128,643</u>  | <u>\$ 1,819,758</u> |

## THE MUSEUM OF CONTEMPORARY ART DETROIT

SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2016  
See Independent Auditor's Report

|                                  | <u>Program</u>      | <u>Administrative</u> | <u>Fundraising</u> | <u>Total</u>        |
|----------------------------------|---------------------|-----------------------|--------------------|---------------------|
| Salaries                         | \$ 398,493          | \$ 237,445            | \$ 59,361          | \$ 695,299          |
| Payroll taxes                    | 34,100              | 20,319                | 5,080              | 59,499              |
| Employee benefits                | 31,317              | 22,244                | 1,082              | 54,643              |
| Bank fees                        | -                   | 12,031                | -                  | 12,031              |
| Exhibition expenses:             |                     |                       |                    |                     |
| Artist and curator               | 32,845              | -                     | -                  | 32,845              |
| Installation                     | 41,051              | -                     | -                  | 41,051              |
| Shipping and freight             | 3,619               | -                     | -                  | 3,619               |
| General                          | 15,241              | -                     | -                  | 15,241              |
| Travel and related costs         | 18,665              | -                     | -                  | 18,665              |
| Print publication                | 9,735               | -                     | -                  | 9,735               |
|                                  |                     |                       |                    | -                   |
| Mobile homestead                 | 27,808              | -                     | -                  | 27,808              |
| Offsite project                  | 67,508              | -                     | -                  | 67,508              |
| Depreciation                     | 49,461              | 14,132                | 7,066              | 70,659              |
| Amortization                     | 681                 | 195                   | 97                 | 973                 |
| Loss on disposal of fixed assets | 445                 | 127                   | 64                 | 636                 |
| Insurance                        | 41,637              | 850                   | -                  | 42,487              |
| Office expense                   | 13,129              | 26,259                | 13,129             | 52,517              |
| Outside services                 | 89,923              | 38,539                | -                  | 128,462             |
| Professional fees                | -                   | 13,994                | -                  | 13,994              |
| Programming and education        | 142,494             | -                     | -                  | 142,494             |
| Repair and maintenance           | 66,966              | 1,367                 | -                  | 68,333              |
| Security                         | 528                 | -                     | -                  | 528                 |
| Travel and entertainment         | -                   | 7,410                 | -                  | 7,410               |
| Utilities                        | 48,720              | 994                   | -                  | 49,714              |
|                                  |                     |                       |                    | -                   |
| Total expenses                   | <u>\$ 1,134,366</u> | <u>\$ 395,906</u>     | <u>\$ 85,879</u>   | <u>\$ 1,616,151</u> |