

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

AUDITED FINANCIAL STATEMENTS

Years Ended June 30, 2007 and 2006

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Reilly, Penner & Benton LLP
Certified Public Accountants & Consultants

1907 – Celebrating 100 Years of Client Service – 2007

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United States Curling Association, Inc.
Stevens Point, Wisconsin

We have audited the accompanying statements of financial position of the United States Curling Association, Inc. (a nonprofit organization) as of June 30, 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information included in the statements of activities has been derived from the Organization's 2006 financial statements and in our report dated October 25, 2006. We expressed an unqualified opinion on those statements.

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 financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United States Curling Association, Inc. as of June 30, 2007 and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other financial information in the accompanying supplementary schedule is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Reilly, Penner & Benton LLP

January 14, 2008

UNITED STATES CURLING ASSOCIATION, INC.

Stevens Point, Wisconsin

Statements of Financial Position

June 30, 2007 and 2006

| ASSETS | <u>2007</u> | <u>2006</u> |
|---|--------------------------|--------------------------|
| Current Assets: | | |
| Cash and equivalents | \$ 298,240 | \$ 156,739 |
| Accounts receivable | 78,061 | 92,479 |
| Inventories | 8,645 | 8,957 |
| Prepaid expenses | 5,971 | 6,796 |
| Escrow funds | <u>3,027</u> | <u>3,012</u> |
| Total current assets | 393,944 | 267,983 |
| Property and Equipment: net | 63,466 | 67,495 |
| Other Assets: | | |
| Note receivable - pass through | <u>125,000</u> | <u>150,000</u> |
| Total assets | <u>\$ 582,410</u> | <u>\$ 485,478</u> |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities: | | |
| Accounts payable | \$ 117,812 | \$ 61,994 |
| Accrued vacation | 22,256 | 12,697 |
| Other liabilities | 7,531 | 8,555 |
| Funds held for others | 28,240 | 28,194 |
| Deferred income | 44,223 | 7,173 |
| Note payable - current | <u>1,024</u> | <u>1,024</u> |
| Total current liabilities | 221,086 | 119,637 |
| Long-term Liabilities: | | |
| Note payable - pass through | 125,000 | 150,000 |
| Note payable - long-term | <u>3,072</u> | <u>4,096</u> |
| Total long-term liabilities | <u>128,072</u> | <u>154,096</u> |
| Total liabilities | 349,158 | 273,733 |
| Net Assets: | | |
| Unrestricted | 218,763 | 200,296 |
| Temporarily restricted | <u>14,489</u> | <u>11,449</u> |
| Total net assets | <u>233,252</u> | <u>211,745</u> |
| Total liabilities and net assets | <u>\$ 582,410</u> | <u>\$ 485,478</u> |

The accompanying notes to financial statements
are an integral part of these statements.

UNITED STATES CURLING ASSOCIATION, INC.

Stevens Point, Wisconsin

Statements of Activities

Year Ended June 30, 2007

With Summarized Information for the Year Ended June 30, 2006

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>2007</u> | <u>2006</u> |
|--|---------------------|-----------------------------------|-------------------|-------------------|
| Revenues and Other Support: | | | | |
| Dues | \$ 313,659 | \$ - | \$ 313,659 | \$ 228,168 |
| Entry fees | 63,950 | 10,900 | 74,850 | 41,000 |
| Field of play fees | 11,048 | - | 11,048 | 19,695 |
| Donations/pin program | 35,797 | - | 35,797 | 45,150 |
| Curl America instruction fees | 2,540 | - | 2,540 | - |
| Brochure sales and advertising | 1,088 | - | 1,088 | 2,108 |
| Merchandise sales | 3,067 | - | 3,067 | 4,071 |
| Cost of merchandise sales | (2,552) | - | (2,552) | (1,035) |
| Curling News advertising and subscriptions | 6,042 | - | 6,042 | 7,908 |
| Credit card program | 90 | - | 90 | 1,413 |
| U.S.O.C. marketing grant | 72,000 | - | 72,000 | 72,000 |
| U.S.O.C. base funding grant | - | - | - | 279,500 |
| U.S.O.C. performance grant | 428,577 | - | 428,577 | 160,955 |
| U.S.O.C. international relations | - | - | - | 2,158 |
| U.S.O.C. licensing royalties | - | - | - | 43 |
| U.S.O.C. coaching experience | - | - | - | 8,115 |
| WCF grant | 85,000 | - | 85,000 | 93,671 |
| In-kind contributions | 137,020 | - | 137,020 | 146,895 |
| Donations received | 3,776 | 3,250 | 7,026 | 6,545 |
| Sponsorship - Chicago Community Trust | 5,000 | - | 5,000 | 55,000 |
| Sponsorship - AIT | 10,000 | - | 10,000 | 5,000 |
| Sponsorship - Hilton | 4,626 | - | 4,626 | 35,374 |
| Training and instruction | 4,525 | - | 4,525 | - |
| WCF stone loan program | 24,003 | - | 24,003 | - |
| Interest earned | 5,314 | - | 5,314 | 1,214 |
| Miscellaneous | 6,058 | - | 6,058 | 2,717 |
| Net assets released from restriction | 11,110 | (11,110) | - | - |
| Total revenues and other support | <u>1,231,738</u> | <u>3,040</u> | <u>1,234,778</u> | <u>1,217,665</u> |
| Expenses: | | | | |
| Programs | 1,029,226 | - | 1,029,226 | 986,800 |
| Management and general | 184,045 | - | 184,045 | 182,095 |
| Total expenses | <u>1,213,271</u> | <u>-</u> | <u>1,213,271</u> | <u>1,168,895</u> |
| Change in net assets before provision for income taxes | 18,467 | 3,040 | 21,507 | 48,770 |
| Other Deductions | | | | |
| Provision for Federal Income Taxes | - | - | - | (933) |
| Change in unrestricted net assets | <u>18,467</u> | <u>3,040</u> | <u>21,507</u> | <u>49,703</u> |
| | | | | |
| Net Assets, Beginning of Year | <u>200,296</u> | <u>11,449</u> | <u>211,745</u> | <u>162,042</u> |
| | | | | |
| Net Assets, End of Year | <u>\$ 218,763</u> | <u>\$ 14,489</u> | <u>\$ 233,252</u> | <u>\$ 211,745</u> |

The accompanying notes to financial statements
are an integral part of these statements.

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Statements of Cash Flows
Years Ended June 30, 2007 and 2006

| | <u>2007</u> | <u>2006</u> |
|--|-------------------|-------------------|
| Cash Flows from Operating Activities: | | |
| Changes in net assets | \$ 21,507 | \$ 49,703 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation and amortization | 17,134 | 14,372 |
| Changes in Operating Assets and Liabilities: | | |
| Receivables | 14,418 | 25,623 |
| Inventory | 312 | 2,159 |
| Prepaid expenses | 825 | 16,866 |
| Notes receivable | 25,000 | 25,000 |
| Accounts payable | 55,818 | (26,764) |
| Accrued vacation | 9,559 | (5,374) |
| Other liabilities | (1,024) | 4,914 |
| Funds held for others | 46 | 374 |
| Deferred income | 37,050 | (9,166) |
| Net adjustments | <u>159,138</u> | <u>48,004</u> |
| Net cash provided by operating activities | <u>180,645</u> | <u>97,707</u> |
| Cash Flows from Investing Activities: | | |
| Purchases of equipment | (13,105) | (41,062) |
| Escrow funds | (15) | 25 |
| Net cash used by investing activities | <u>(13,120)</u> | <u>(41,037)</u> |
| Cash Flows from Financing Activities: | | |
| Line of credit draws | - | 10,500 |
| Line of credit payments | - | (10,500) |
| Note payable proceeds | - | 5,120 |
| Note payable payments | (1,024) | - |
| Note payable - pass through payments | (25,000) | (25,000) |
| Net cash used by financing activities | <u>(26,024)</u> | <u>(19,880)</u> |
| Increase in cash and equivalents | 141,501 | 36,790 |
| Cash and Equivalents at Beginning of Year | <u>156,739</u> | <u>119,949</u> |
| Cash and Equivalents at End of Year | <u>\$ 298,240</u> | <u>\$ 156,739</u> |
| Supplementary Disclosures: | | |
| Income taxes paid during year | <u>\$ -</u> | <u>\$ (933)</u> |

The accompanying notes to financial statements
are an integral part of these statements.

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Notes to Financial Statements
June 30, 2007 and 2006

1. Significant Accounting Policies

A. Nature of Operations

The United States Curling Association, Inc. represents curling nationally and facilitates the growth of the sport through a network of member state and regional associations.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Association is required to report 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. These classes are described as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Association and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that may be maintained permanently by the Association. Generally, the donors of these assets permit the Association to use all or part of the income earned on related investments for general or specific purposes.

C. Inventory

Inventory is recorded at the lower of cost or market on the first-in, first-out basis.

D. Property and Equipment

All acquisitions of property and equipment are capitalized at cost and depreciated on the straight-line basis over estimated useful lives.

E. Cash and Equivalents

The Association considers demand deposits, certificates of deposit not held in trust, and money market savings accounts to be cash equivalents for the purpose of the statement of cash flows.

F. Trade Receivables

Trade receivables are recorded on the accrual basis of accounting. Based on past history, management has determined that no allowance for uncollectible trade receivables is necessary at June 30, 2007 and 2006. Trade receivables that are deemed uncollectible by management are written off in the year they are determined to be uncollectible.

G. Revenue Recognition

Revenue recognition of contributed support follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made, whereby pledges are recorded when made and contributed support is classified as unrestricted or restricted, depending on the existence of donor stipulations that limit the use of the support.

UNITED STATES CURLING ASSOCIATION, INC.

Stevens Point, Wisconsin

Notes to Financial Statements

June 30, 2007 and 2006

(Continued)

1. Significant Accounting Policies (Continued)

H. Funds Held for Others

The American Curling Foundation and Museum transferred all of its assets and liabilities to the Association. The funds, while in the possession of the Association, can only be spent by and for the American Curling Foundation and Museum.

I. Use of Estimates

The preparation of 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Income Tax Status

The Association is generally exempt from income taxes under Internal Revenue Code Section 501(c)(3). Income from certain of the Association's specific activities is considered unrelated business income and is subject to taxation. Taxes on these activities for the year ended June 30, 2007 and 2006 were \$0 and \$(933), respectively.

K. Functional Expenses

The Association classifies expenses into two functions: Program Services and Supporting Services. The Program Services function includes all expenses directly related to Association's activities and programs for curlers. The Supporting Services function includes management and general expenses not directly associated with activities and program expenses.

2. Lease Commitment

The Association extended their lease for office space commencing November 1, 2006 for two years. The monthly rent payment is \$1,478. Rental expenses for years ended June 30, 2007 and 2006 were \$19,518 and \$18,673 respectively. Future minimum lease payments are as follows:

| For the year ending June 30, | |
|------------------------------|------------------|
| 2008 | \$ 17,736 |
| 2009 | <u>5,912</u> |
| Total | \$ <u>23,648</u> |

3. Line of Credit

The Association has a line of credit with a limit of \$50,000. There were no outstanding balances on the line of credit as of June 30, 2007 and 2006. Bank advances on the line of credit are payable on demand and carry an interest rate of 2.25% over prime. The credit line is secured by substantially all assets of the Organization.

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Notes to Financial Statements
June 30, 2007 and 2006
(Continued)

4. Property and Equipment

Property and equipment are recorded at cost when purchased or at the fair market value when donated. Depreciation on property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Expenditures for repairs and maintenance are expensed.

Depreciation expense for the years ended June 30, 2007 and 2006 was \$17,134 and \$14,372, respectively. Property and equipment and related accumulated depreciation consisted of the following:

| PROPERTY AND EQUIPMENT | Cost June 30, <u>2006</u> | <u>Additions</u> | <u>Disposals</u> | Cost June 30, <u>2007</u> |
|---------------------------------|------------------------------------|------------------|------------------|------------------------------------|
| Time clocks | \$ 25,389 | \$ --- | \$ --- | \$ 25,389 |
| Video equipment | 3,590 | --- | --- | 3,590 |
| Computer hardware and software | 75,677 | 2,450 | --- | 78,127 |
| Telephone system | 1,031 | 4,742 | --- | 5,773 |
| Office equipment | 16,635 | 5,913 | --- | 22,548 |
| Ice maker's equipment | 7,525 | --- | --- | 7,525 |
| Stones | 15,680 | --- | --- | 15,680 |
| Sensor handles | 20,758 | --- | --- | 20,758 |
| | | | | |
| Total | 166,285 | \$ <u>13,105</u> | \$ --- | 179,390 |
| | | | | |
| ACCUMULATED DEPRECIATION | Balance June 30, <u>2006</u> | <u>Additions</u> | <u>Disposals</u> | Balance June 30, <u>2007</u> |
| Time clocks | \$ 19,490 | \$ 1,685 | \$ --- | \$ 21,175 |
| Video equipment | 3,242 | --- | --- | 3,242 |
| Computer hardware and software | 56,128 | 8,430 | --- | 64,558 |
| Telephone system | 928 | 324 | --- | 1,252 |
| Office equipment | 9,651 | 1,532 | --- | 11,183 |
| Ice maker's equipment | 6,883 | 227 | --- | 7,110 |
| Stones | 392 | 784 | --- | 1,176 |
| Sensor handles | 2,076 | 4,152 | --- | 6,228 |
| | | | | |
| Total | 98,790 | \$ <u>17,134</u> | \$ --- | 115,924 |
| | | | | |
| Net property and equipment | \$ <u>67,495</u> | | | \$ <u>63,466</u> |

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Notes to Financial Statements
June 30, 2007 and 2006
(Continued)

5. In-kind Contributions

The following is a summary of in-kind contributions received for the years ended June 30,

| | <u>2007</u> | <u>2006</u> |
|-------------------------------|-------------|-------------|
| Website development | \$ 52,700 | \$ 48,240 |
| Transportation/travel | 29,082 | --- |
| Audiocast | 5,000 | 13,200 |
| Computer consulting | 4,000 | 8,000 |
| Office equipment/supplies | --- | 5,647 |
| Uniforms and training apparel | 31,238 | 55,000 |
| Stones (Capitalized) | --- | 10,560 |
| Shipping | 15,000 | 6,248 |
| | \$ 137,020 | \$ 146,895 |
| Total | \$ 137,020 | \$ 146,895 |

In addition to the in-kind contributions noted above, the Association has recorded \$276,081 and \$197,000 of USOC direct payments to athletes for the years ended June 30, 2007 and 2006, respectively.

6. Concentration of Risk

The Association maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At times throughout the year, the balance on deposit may exceed the insured amount.

The Association receives approximately 51% of its revenue from one Organization for the years ended June 30, 2007 and 2006, and also accounts for approximately 0% and 9% of the accounts receivable balance as of June 30, 2007 and 2006, respectively. The Organization also receives approximately 1% of its revenues from another Organization for the years ended June 30, 2007 and 2006, and also accounts for approximately 47% and 11% of the accounts receivable balance as of June 30, 2007 and 2006, respectively.

7. Pass-Through Loan

During the year ended June 30, 2002, the Association acted on behalf of the Potomoc Curling Club of the National Capital Area, Inc. in obtaining a loan from the World Curling Federation (WCF). The amount of the loan is \$200,000, interest free, \$25,000 due annually and is to be paid in full on November 26, 2011. As of June 30, 2007 and 2006, the amount due from the Potomoc Curling Club is \$125,000 and \$150,000, respectively and the amount due to the WCF is \$125,000 and \$150,000, respectively. The Association is liable for the loan if the Potomoc Curling Club defaults on the loan. Potomoc Curling Club has pledged a holding in common stock, equal to 200% of the balance of the loan, as security to guarantee the loan.

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Notes to Financial Statements
June 30, 2007 and 2006
(Continued)

8. Temporarily Restricted Net Assets

As of June 30, 2007 and 2006, temporarily restricted net assets consisted of the following donor restrictions:

| <u>Restriction</u> | <u>2007</u> | <u>2006</u> |
|--|-------------|-------------|
| "Bricks and mortar" purposes or for curling stones | \$ 5,000 | \$ 5,000 |
| Men's Scot Tour | 2,271 | 904 |
| Ann Brown Legacy Fund | 7,218 | 5,545 |
| | <hr/> | <hr/> |
| Total | \$ 14,489 | \$ 11,449 |
| | <hr/> <hr/> | <hr/> <hr/> |

9. Notes Payable

During the year, the Association entered into a loan agreement with the World Curling Federation to purchase some stones previously used by the Boulevard Curling Club in Canada. The loan agreement is for five years with no interest requiring annual payments of principle amounting to \$1,024. The future minimum payment schedule is as follows:

| <u>Years Ending June 30,</u> | |
|------------------------------|-------------|
| 2008 | \$ 1,024 |
| 2009 | 1,024 |
| 2010 | 1,024 |
| 2011 | 1,024 |
| | <hr/> |
| Total | \$ 4,096 |
| | <hr/> <hr/> |

10. Succession Plan

The Association has executed a succession plan agreement with a key employee effective from July 1, 2006. As long as the employee continues employment (at reduced hours) until October 23, 2008, the Association has agreed to engage the employee as an independent contractor consultant and pay a consulting fee of \$15,000 per year until the employee turns sixty-two on April 23, 2011. This agreement may be cancelled if the employee fails to continue employment until October 23, 2008.

11. Prior-Year Summarized Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended June 30, 2006, from which the summarized information was derived.

UNITED STATES CURLING ASSOCIATION, INC.
Stevens Point, Wisconsin

Notes to Financial Statements
June 30, 2007 and 2006
(Continued)

12. WCF Stone Loan Program

During the year, the Association acquired 512 refurbished stones and 128 new stones. The stones are free of charge for a two-year term and if the Association retains the stones after October 31, 2008, the cost of these stones would amount to \$260,000 with a five-year payback period interest free with annual payments amounting to \$52,000. All 640 stones have been shipped to various curling clubs that have committed to either purchase these stones over a five year period or to return the stones. No amounts have been reflected on the statement of financial position for this contingent asset and liability.

13. Subsequent Event

Subsequent to year end, the Association entered into an agreement for the services of a marketing firm. This agreement requires the Association to pay the marketing firm \$18,000, which should be completed in the next year.

14. Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

UNITED STATES CURLING ASSOCIATION, INC.

Stevens Point, Wisconsin

Schedule of Program, Management and General Expenses

Years Ended June 30, 2007 and 2006

| | <u>2007</u> | <u>% of Total</u> <u>Expenses</u> | <u>2006</u> | <u>% of Total</u> <u>Expenses</u> |
|---|---------------------|--------------------------------------|-------------------|--------------------------------------|
| Program Services: | | | | |
| Elite program | 204,205 | | 147,534 | |
| Salaries | \$ 192,657 | | \$ 190,834 | |
| Promotions | 127,936 | | 163,797 | |
| Coach development | 74,823 | | 56,171 | |
| Transportation | 70,150 | | 49,200 | |
| World Team prep | 68,484 | | 92,904 | |
| Website development | 52,700 | | 48,240 | |
| Club/membership development | 33,679 | | 22,244 | |
| U.S. Curling News | 31,622 | | 33,123 | |
| WCF stone loan program | 23,546 | | - | |
| Championship | 22,018 | | 14,981 | |
| Field of play | 17,149 | | 37,294 | |
| Insurance - Panol | 15,596 | | 15,596 | |
| Payroll taxes | 14,976 | | 15,954 | |
| Fringe benefits | 13,235 | | 15,735 | |
| Other competitions | 11,597 | | - | |
| Athlete Advisory | 9,480 | | 6,320 | |
| Travel | 9,152 | | 12,122 | |
| Site selection committee | 7,750 | | 7,000 | |
| Athlete funding | 7,294 | | 15,623 | |
| Depreciation | 6,711 | | 3,643 | |
| Officiating committee | 5,390 | | 6,104 | |
| Youth curling committee | 4,072 | | 9,465 | |
| Education program development | 1,562 | | 1,353 | |
| VP Championship | 1,057 | | 1,481 | |
| College curling committee | 1,000 | | - | |
| ACF&M committee | 743 | | 425 | |
| President expense | 567 | | 16,518 | |
| Olympic committee | 75 | | 3,083 | |
| Rules committee | - | | 56 | |
| Total program expense | \$ 1,029,226 | 84.83% | \$ 986,800 | 84.42% |
| Management and General: | | | | |
| Salaries | \$ 51,963 | | \$ 46,184 | |
| Rent | 19,518 | | 18,673 | |
| World Curling Federation | 15,813 | | 12,340 | |
| President expense | 12,486 | | 19,378 | |
| Miscellaneous | 11,641 | | 2,327 | |
| Depreciation | 10,423 | | 10,729 | |
| Website development | 8,786 | | 18,125 | |
| Miscellaneous office | 8,322 | | 10,374 | |
| Telephone | 6,915 | | 7,473 | |
| Travel | 6,736 | | 993 | |
| Audit fee | 6,700 | | 6,500 | |
| Printing and copying | 5,802 | | 6,678 | |
| Supplies/equipment | 5,650 | | 8,405 | |
| Payroll taxes | 3,975 | | 3,533 | |
| Postage | 3,497 | | 4,049 | |
| Fringe benefits | 2,594 | | 4,461 | |
| Bad debts | 951 | | - | |
| Legal fees | 897 | | 629 | |
| Outside services | 787 | | 952 | |
| Property taxes | 396 | | 292 | |
| Marketing | 125 | | - | |
| Employee development | 68 | | - | |
| Total management and general expense | \$ 184,045 | 15.17% | \$ 182,095 | 15.58% |

See Independent Auditors' Report.