

**CENTRAL FLORIDA
ZOOLOGICAL SOCIETY, INC.
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2014**



Greene, Dycus & Co, PA

Certified Public Accountants

407-322-0561

www.gdcca.net

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
Central Florida Zoological Society, Inc.
Lake Monroe, Florida

We have audited the accompanying financial statements of the Central Florida Zoological Society, Inc. (the "Society"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, and cash flows for the year 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 of 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.

William T. Royster, CPA
Robert Kimelman, CPA
Thomas J. Frank, CPA

Jack I. Greene, CPA (Deceased)
James R. Dycus, CPA (Deceased)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Greene Dupuis & Co.

Professional Association
Certified Public Accountants
Sanford, Florida
April 30, 2015

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014

Assets:

Cash & cash equivalents - unrestricted	\$ 391,210
Cash & cash equivalents - designated for capital improvements	25,000
Accounts receivable	39,068
Inventory	35,246
Prepaid expense and other assets	27,693
Cash & cash equivalents - restricted for capital improvement	25,000
Botanical collection	43,338
Property, equipment and animals, net	<u>8,605,196</u>
 Total Assets	 <u><u>\$ 9,191,751</u></u>

Liabilities and Net Assets:

Liabilities:

Accounts payable	\$ 325,543
Accrued salaries	67,066
Other liabilities	53,082
Accrued compensated absences	33,856
Unearned membership fees	220,487
Equipment Payable	185,252
Equipment Note Payable	39,919
Board Member Note Payable	<u>101,694</u>
 Total Liabilities	 <u>1,026,899</u>

Net Assets:

Unrestricted	8,139,852
Temporarily restricted	<u>25,000</u>
 Total Net Assets	 <u>8,164,852</u>

Total Liabilities and Net Assets	<u><u>\$ 9,191,751</u></u>
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The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues, Gains and Other Support:			
Gate receipts	\$ 2,120,285		\$ 2,120,285
Guest services, net of cost of \$191,003	255,315		255,315
Educational programs	248,671		248,671
Seminole County Tourist Development Council	225,000		225,000
State and Local Government Grants	34,005		34,005
Contributions:			
Cash contributions	177,249	25,000	202,249
In kind	150,000		150,000
Membership dues	524,412		524,412
Promotional events, net of costs of \$63,527	128,215		128,215
Facilities rental fees, net of costs \$47,975	54,578		54,578
Net assets released from restrictions:			
Restrictions satisfied by payments	7,500	(7,500)	-
Investment earnings	562		562
Train and carousel income	167,158		167,158
Other contractual income	99,376		99,376
Other	15,008		15,008
	<u>4,207,334</u>	<u>17,500</u>	<u>4,224,834</u>
Total Revenues, Gains and Other Support			
Expenses			
Program Services:			
Zoological park	2,340,593	-	2,340,593
Guest services	1,032,646	-	1,032,646
Education	427,254		427,254
OCIC	132,776	-	132,776
	<u>3,933,269</u>	<u>-</u>	<u>3,933,269</u>
Total Program Services			
Support Services:			
Management and general	352,232	-	352,232
Fund raising	187,944	-	187,944
	<u>540,176</u>	<u>-</u>	<u>540,176</u>
Total Support Services			
	<u>4,473,445</u>	<u>-</u>	<u>4,473,445</u>
Total Expenses			
Change in net assets	(266,111)	17,500	(248,611)
Net Assets - Beginning of Year	<u>8,405,963</u>	<u>7,500</u>	<u>8,413,463</u>
Net Assets - End of Year	<u>\$ 8,139,852</u>	<u>\$ 25,000</u>	<u>\$ 8,164,852</u>

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

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Service				Support Service			Total	
	Zoological Park	Guest Services	Education	OCIC	Program Service Total	Management	Fund Raising		Support Service Total
Compensation	\$ 1,122,249	\$ 506,434	\$296,344	\$101,560	\$ 2,026,587	\$175,474	\$ 130,757	\$ 306,231	\$ 2,332,818
Animal care	206,962	-	4,385	-	211,347	-	-	-	211,347
Advertising	19,657	39,902	23,065	-	82,624	-	12,986	12,986	95,610
Depreciation	510,528	44,394	-	-	554,922	-	-	-	554,922
Insurance	135,688	123,989	17,548	5,280	282,505	19,257	5,990	25,247	307,752
Supplies	37,287	113,281	17,276	-	167,844	26,210	8,002	34,212	202,056
Promotions-Web	4,120	6,866	3,113	-	14,099	-	687	687	14,786
Repair	145,716	18,210	6,768	-	170,694	970	35	1,005	171,699
Utilities	81,668	53,416	4,790	-	139,874	7,109	724	7,833	147,707
Professional fees	-	-	-	-	-	81,820	-	81,820	81,820
Other	76,718	126,154	53,965	25,936	282,773	41,392	28,763	70,155	352,928
TOTALS	\$ 2,340,593	\$ 1,032,646	\$427,254	\$132,776	\$ 3,933,269	\$352,232	\$ 187,944	\$ 540,176	\$ 4,473,445

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

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

Cash Flows Used in Operating Activities:

Change in net assets	\$ (248,611)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	554,922
Donations of capital assets and animals	(99,500)
Changes in operating assets and liabilities:	
Accounts receivable	30,845
Inventory	(3,934)
Prepaid expenses and other assets	(2,020)
Accounts payable	70,046
Accrued salaries and payroll taxes	28,686
Other liabilities	(14,826)
Accrued compensated absences	1,925
Unearned membership fees	20,498
Net cash provided by operating activities	<u>338,031</u>

Cash Flows from Investing Activities:

Purchase of capital assets and animals	<u>(374,588)</u>
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Cash Flows from Financing Activities:

Payment on equipment note payable	(13,071)
Payment on Note Payable - Board Member	<u>(48,306)</u>

Net cash used in financing activities	<u>(61,377)</u>
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Net decrease in cash	(97,934)
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Cash at Beginning of Year	<u>539,144</u>
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Cash at End of Year	<u><u>\$ 441,210</u></u>
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Reconciliation to statement of financial position:

Cash & cash equivalents - unrestricted	\$ 391,210
Cash & cash equivalents - designated for capital improvement	25,000
Cash & cash equivalents - restricted for capital improvement	<u>25,000</u>

Cash at End of Year	<u><u>\$ 441,210</u></u>
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Non Cash Supplemental Transactions:

Purchase of equipment by debt	<u>\$ 288,242</u>
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Repayment of equipment note payable through earnout.	<u>\$ 50,000</u>
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The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Central Florida Zoological Society, Inc. (the “Society”) is a nonprofit organization that operates a zoological park and botanical gardens in Lake Monroe, Florida. In addition to exhibiting living animals and plants, the park has programs in wildlife education and conservation. The Society is an affordable family experience primarily funded by park admissions, concession and gift shop sales, and membership support. Additional funding is provided by Seminole County agencies and various grantors.

The Society is dedicated to preserving the beauty and wonder of animals and their habitat, and is committed to sharing knowledge, engaging visitors and celebrating the natural world. Conservation of animals is paramount as many endangered species entrusted to the Society may soon be extinct. Captive breeding programs may be the only hope for the species survival.

The Society is a conservation resource providing experiences that excite and inspire children and adults to learn and act on behalf of wildlife and is one of a handful of private non-profit zoos in the country and a great community resource that enhances the quality of life in Central Florida by offering a unique zoo experience. In efforts to educate the children of Central Florida premier educational experiences are offered that reaches over 100,000 school children a year through summer camps, programs and community outreaches.

The Society also operates the Orianne Center for Indigo Conservation (OCIC) located in east Lake County (approximately 20 miles from the zoo) and is home to a health care center, herpetarium, administrative offices and support facilities. The facility consists of 25 acres of land and three building totaling over 5,000 square feet. The main goal of the program is to facilitate a comprehensive approach to long-term captive breeding programs for Eastern Indigo Snakes and the importance of conservation and promotion of public education and to foster tolerance of snakes in our natural communities. In the current year the OCIC hatched a record 67 Eastern Indigo Snakes as a result of breeding 10 females with non-related males.

Financial Statement Presentation

The Society prepares its financial statements on the accrual basis of accounting. The financial statements are presented in accordance with Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*, which requires the Society to report information regarding its financial position and activities according to three (3) classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, when present.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other 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 Statement of Activities as net assets released from restrictions.

Property, Equipment and Animals

Land, buildings and equipment with a cost in excess of \$500 and purchased animals are capitalized at the time of purchase. Contributed assets in excess of \$500 are recorded at fair value when received. Reproduced animals are recorded at fair value when it is determined the animal will live.

Depreciation is computed on the straight-line method over the estimated useful lives of the related assets of three to ten (3-10) years for equipment, ten to forty (10-40) years for buildings, and two to twenty (2-20) years for animals.

Unearned Membership Fees

Unearned membership fees are revenue from membership dues and are amortized over the year of membership.

Promises to Give

Unconditional promises to give are recognized as contribution revenue in the period received and as assets, decreases in liabilities, or expenses, depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one (1) year, and at present value if expected to be collected in more than one (1) year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Inventories

Inventories consist of items for resale, food, and food service supplies, and are stated at the lower of cost (first-in/first-out basis) or market.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Animal Exchange

The Society may share or receive animals from other zoos, the cost or benefit of this arrangement, as consistent with prevailing industry practices, are generally without any monetary considerations.

Donated Services and Materials

The Society trains individuals to serve as volunteer zoological park tour guides. These individuals would not be compensated as employees if this program were to be discontinued. In addition many other individuals volunteer their time and effort on a variety of administrative and fund raising tasks. The value of these services has not been recorded in the financial statements. In 2014 approximately 200 volunteers donated approximately 26,000 hours of service.

Other contributed services, materials, equipment and animals are recorded at their estimated fair value at time of receipt. The estimated fair value of these contributions for 2014 was approximately \$150,000.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Botanical Collection

The Society maintains botanical exhibits throughout the zoological park to enhance the visitors overall zoo experience. The botanical collection is reflected at cost, if purchased, and at fair market value if donated. Although management does not intend to sell any portions of the botanical collection, in the event they are sold the proceeds would be used to acquire similar botanical items.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash equivalents include time deposits, savings accounts, and all highly liquid debt instruments with original maturities of three (3) months or less. The Society is required to hold certain cash balances in separate bank accounts.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Taxes

The Society is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Society's tax-exempt purpose may be subject to taxation as unrelated business income. In addition, the Society qualifies as a public charity under Sections 509(a) (1) and 170(b) (1) (A) (vi) of the Internal Revenue Code.

The Society adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FASB ASC 740 – 10). Under this Interpretation, The Society is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a 501(c) (3), and the decision not to file a tax return. The Society has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

The Society files a federal income tax return and is no longer subject to U.S. federal income tax examination by tax authorities for years before 2012.

The Society has unrelated business activity generated from the rental of one of its facilities. Form 990T has been filed, however direct costs and allowable allocated indirect costs exceed the revenue generated, as such no tax provisions has been recorded.

Advertising Costs

Advertising costs are expensed as incurred. During the year ended December 31, 2014 advertising charged to operations amounted to approximately \$178,000.

Subsequent Events

The Society has evaluated subsequent events through April 30, 2015, the date which the financial statements were available to be issued.

Accounts Receivable

Based upon an analysis of both past history and past due receivables, it is management's opinion that no allowance for uncollectible accounts is necessary. Charge-offs, when necessary, is performed after management has exhausted their efforts with respect to collecting the outstanding balance.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Impairment

The Society periodically reviews its long-lived assets to be held and used in operations for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets.

Concentrations of Credit and Market risk

Financial instruments that potentially expose the society too concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at financial institutions and credit exposure is limited at any one institution. The society has not experienced any losses on its cash equivalents.

NOTE 2 – PROPERTY, EQUIPMENT AND ANIMALS

Property, equipment and animals as of December 31, 2014 consist of:

Land and improvements	\$	498,694
Zoo buildings and grounds		8,770,388
Features and exhibits		1,841,871
Furniture, Fixtures and Equipment		1,373,015
Animals		130,342
Vehicles		136,390
Construction in progress		260,325
		13,011,025
Accumulated depreciation		(4,405,829)
		\$ 8,605,196

Depreciation expense for the year was \$554,922.

NOTE 3 – TEMPORARILY RESTRICTED SUPPORT

Temporarily restricted net assets of \$25,000 are restricted for capital improvements exclusively.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 4 – DEBT

Note Payable – Board Member

During 2014 a board member and the Society executed an unsecured \$150,000 4.5% note payable to fund an exhibit. The current balance is \$101,694. Interest of \$5,851 has been expensed and paid to the board member. The following are maturities of long-term debt for the years ended December 31:

2015	\$ 70,000
2016	31,694
	<u>\$101,694</u>

Equipment Payable

The food and beverage concessionaire purchased \$235,252 of equipment to be utilized in the operating of the concession. The current balance of the equipment payable is \$185,252 and is secured by the underlying equipment. The concession agreement indicates that these funds will be repaid with no interest monthly from the sales proceeds over a sixty month period. The principal is expected to be repaid as follow for the years ended December 31:

2015	\$ 46,313
2016	46,313
2017	46,313
2016	46,313
	<u>\$ 185,252</u>

Equipment Note Payable

The Society purchased a compact track loader under a four year note payable with interest at 0%. The debt is secured by the underlying equipment. The current balance of the equipment payable is \$39,919. The principal is expected to be repaid as follows for the years ended December 31:

2015	\$ 13,423
2016	13,248
2017	13,248
	<u>\$ 39,919</u>

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 – 403(B) RETIREMENT PLAN

The employees of the Society may elect to contribute up to \$17,500 (\$23,000 if over 50) to a tax sheltered annuity plan, IRS Code Section 403(b). Under the plan's salary deferral feature eligible employees can defer a portion of their compensation. Such deferrals accumulate on a tax-deferred basis until the employee withdraws the funds. Employees over twenty-one (21) years of age and who have completed one (1) year of service are eligible to participate in the deferral, and are also eligible for a matching contribution of up to 3% of their annual salary. Retirement plan cost for the year ended December 31, 2014 was approximately \$26,000.

NOTE 6 – DONATED LAND

The Society entered into a new land lease with Seminole County. The lease covers the existing property as well as an additional 15.74 acres to accommodate the growth of the Society. The term of the lease is 50 years and provides for rental payments of \$1 per year. The fair market lease value of the use of this land has not been determined, nor has any value been reflected in the financial statements

NOTE 7 – ANNUAL LEAVE

The Society provides its full time employees with annual leave time based on the number of years of employment. At December 31, 2014, the value of accrued accumulated vacation leave is estimated to be approximately \$34,000.

NOTE 8 – CONCENTRATIONS OF RISK

Revenues provided by guests to the zoological park provide a major portion of the Society's support. In the event of a material down-turn in the area's economy, these revenues may be reduced. The Seminole County Tourist Development Council provides approximately 5% of the Society's revenue. Should this funding cease, the level of services provided by the Society may be affected.

At December 31, 2014, cash on deposit with one commercial bank in Florida was approximately \$416,000. The cash on deposit is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 9 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of the Society's activities have been summarized on a functional basis in the Statement of Functional Expenses. Program service expense consists primarily of costs associated with the zoological park and education programs. Certain costs that have been incurred for common objective and cannot be readily identified with a particular cost objective have been allocated to program services, fund raising, management, and general expenses.

NOTE 10 – COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

The Society has a \$200,000 line of credit from a local financial institution that is collateralized by the Society's assets. The line of credit is due on demand, and expires in 2015. Terms of repayment call for minimum monthly payments of interest at prime. At December 31, 2014 no amounts were drawn on the line of credit.

In the ordinary course of business, the Society may have various outstanding commitments and contingencies. One such contingency is that the Society may be subject to a potential Equal Employment Opportunity Commission claim. The Society believes the claim to have no merit, but its council believes it is too early to ascertain the likelihood of an unfavorable outcome and the potential claim amount or range is not determinable at this time. The ultimate effect of such claim cannot be ascertained at this time, no amounts have been reflected in the accompanying financial statements.

During 2013, The Society entered into a gift shop service agreement with a gift shop service company that expires at the end of the sixth year after a new gift shop is opened. Originally it was anticipated that a new gift shop would open in 2014 or 2015. At the current time the gift shop service agreement is being amended due to the delayed opening of the gift shop as the Society is contemplating a location change for the new gift shop and as such the new store will likely not be opened until 2016. The service company is currently managing the existing gift shop and is in charge of merchandising and supervising the Society's staff and volunteers in the store. The payment terms call for both fixed and variable fees that are based upon performance and are earned on a sliding scale.

The Society outsourced its food and beverage concession to a food and beverage company under an agreement that initially expires at July 31, 2018 with a five year extension option. The company will run all aspects of the concession and will pay the Society a percentage of the profits. In the event that operating expenses exceeds gross receipts the Society may be obligated to cover any potential shortfall.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 10 – COMMITMENTS, CONTINGENCIES AND OTHER ITEMS – continued

The Society is leasing a facility (including property, improvements, breeding stock and equipment) in Lake County Florida which may ultimately allow for expansion of educational and other programs for the benefit of Lake County residents. The terms of the lease call for a \$1 annual rent plus responsibility for the maintenance, repairs, upkeep, staffing, and insurance of the facilities. In addition the Society is responsible for the care and the feeding of the animals. The annual cost to maintain the facilities will vary on an annual basis, but is expected to be approximately \$180,000 for 2015. At the end of the eight year term the facility (including property, improvements, breeding stock and equipment) will be sold to the Society for \$100.

NOTE 11 – ENDOWMENT

The Society established “The Central Florida Zoological Society Fund”, an endowment fund in conjunction with the Community Foundation of Central Florida, Inc. At December 31, 2014 the value of the Society’s portion of the endowment is approximately \$110,000, which has appreciated from its initial investment of \$80,000. The assets and related liabilities are not reflected in these financial statements, as they are controlled and directed by the Community Foundation of Central Florida, Inc. Distributions generated by this endowment are recorded as income when received. The Society’s purpose for this endowment was to establish a fund that would provide long-term support to further the goals and mission of the Society.

NOTE 12 – RELATED PARTY TRANSACTIONS

The Society from time to time has transactions with affiliated parties. The Society purchased goods and services from business owned by two board members at a cost of approximately \$30,000.