

**BOYS AND GIRLS CLUBS OF ELKO, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

**BOYS AND GIRLS CLUBS OF ELKO, INC.
DECEMBER 31, 2016 AND 2015**

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Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Boys and Girls Clubs of Elko, Inc.

We have audited the accompanying financial statements of Boys and Girls Clubs of Elko, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses 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.

Auditors' 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 Boys and Girls Clubs of Elko, Inc. as of December 31, 2016 and 2015, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revenues and expenses-Winemaker Dinner on page 14 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.

Mahlke Hunsaker & Co.

Mahlke Hunsaker & Company, pllc
Twin Falls, Idaho

October 9, 2017

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016 AND 2015

| | 2016 | 2015 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 473,436 | \$ 284,856 |
| Prepaid Insurance | 4,160 | - |
| Accounts and Pledges Receivable | 59,791 | 79,119 |
| Total Current Assets | 537,387 | 363,975 |
| Property and Equipment | | |
| Land | 21,155 | 21,155 |
| Buildings | 3,703,696 | 3,688,198 |
| Equipment and Software | 384,126 | 334,152 |
| Feasibility Studies | 142,630 | 142,630 |
| Less: Accumulated Depreciation/Amortization | (542,287) | (414,031) |
| Total Property and Equipment | 3,709,320 | 3,772,104 |
| TOTAL ASSETS | \$ 4,246,707 | \$ 4,136,079 |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts Payable | \$ 6,828 | \$ 7,615 |
| Accrued Payroll Expenses | 21,804 | 18,252 |
| Total Current Liabilities | 28,632 | 25,867 |
| Net Assets | | |
| Unrestricted | 3,943,810 | 4,018,369 |
| Temporarily Restricted | 274,265 | 91,843 |
| Total Net Assets | 4,218,075 | 4,110,212 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 4,246,707 | \$ 4,136,079 |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>2016 Total</u> |
|---------------------------------------|---------------------|-----------------------------------|-----------------------|
| SUPPORT AND REVENUE | | | |
| Support | | | |
| Contributions | 298,442 | 247,500 | \$ 545,942 |
| Grants and Contracts | 37,824 | - | 37,824 |
| Fundraising Activities | 417,574 | - | 417,574 |
| In-Kind Donations | 371,562 | - | 371,562 |
| Miscellaneous | 68,216 | - | 68,216 |
| Total Support | <u>1,193,618</u> | <u>247,500</u> | <u>1,441,118</u> |
| Revenue | | | |
| Membership Dues | 75,974 | - | 75,974 |
| Interest Earned | 12 | 10 | 22 |
| Total Revenue | <u>75,986</u> | <u>10</u> | <u>75,996</u> |
| Total Support and Revenue | 1,269,604 | 247,510 | 1,517,114 |
| Net Assets Released from Restrictions | <u>65,088</u> | <u>(65,088)</u> | <u>-</u> |
| TOTAL SUPPORT AND REVENUE | 1,334,692 | 182,422 | 1,517,114 |
| EXPENSES | | | |
| Program Service | 668,386 | - | 668,386 |
| General and Administration | 190,842 | - | 190,842 |
| Fund Raising | 550,023 | - | 550,023 |
| TOTAL EXPENSES | <u>1,409,251</u> | <u>-</u> | <u>1,409,251</u> |
| CHANGE IN NET ASSETS | (74,559) | 182,422 | 107,863 |
| Net Assets, January 1, 2016 | <u>4,018,369</u> | <u>91,843</u> | <u>4,110,212</u> |
| Net Assets, December 31, 2016 | <u>\$ 3,943,810</u> | <u>\$ 274,265</u> | <u>\$ 4,218,075</u> |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

| | Unrestricted | Temporarily Restricted | 2015 Total |
|---------------------------------------|---------------------|-----------------------------------|-----------------------|
| SUPPORT AND REVENUE | | | |
| Support | | | |
| Contributions | \$ 309,338 | \$ - | \$ 309,338 |
| Grants and Contracts | 67,145 | 20,000 | 87,145 |
| Fundraising Activities | 278,429 | - | 278,429 |
| In-Kind Donations | 241,235 | - | 241,235 |
| Miscellaneous | 58,413 | - | 58,413 |
| Total Support | 954,560 | 20,000 | 974,560 |
| Revenue | | | |
| Membership Dues | 77,086 | - | 77,086 |
| Interest Earned | 40 | 114 | 154 |
| Total Revenue | 77,126 | 114 | 77,240 |
| Total Support and Revenue | 1,031,686 | 20,114 | 1,051,800 |
| Net Assets Released from Restrictions | 67,525 | (67,525) | - |
| TOTAL SUPPORT AND REVENUE | 1,099,211 | (47,411) | 1,051,800 |
| EXPENSES | | | |
| Program Service | 734,000 | - | 734,000 |
| General and Administration | 175,494 | - | 175,494 |
| Fund Raising | 307,861 | - | 307,861 |
| TOTAL EXPENSES | 1,217,355 | - | 1,217,355 |
| CHANGE IN NET ASSETS | (118,144) | (47,411) | (165,555) |
| Net Assets, January 1, 2015 | 4,136,513 | 139,254 | 4,275,767 |
| Net Assets, December 31, 2015 | \$ 4,018,369 | \$ 91,843 | \$ 4,110,212 |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

| | Support Services | | | 2016 Total |
|-------------------------------|-----------------------------|---------------------------------------|-------------------------|-----------------------|
| | Program Services | General and Administrative | Fund Raising | |
| EXPENSES: | | | | |
| Compensation: | | | | |
| Salaries and Wages | \$ 326,842 | \$ 100,403 | \$ - | \$ 427,245 |
| Payroll Taxes | 33,073 | 10,160 | - | 43,233 |
| Health Insurance | 715 | 2,144 | - | 2,859 |
| Training | 11,100 | - | - | 11,100 |
| Bad Debts | 2,120 | - | - | 2,120 |
| Bank Charges | 5,170 | 5,170 | - | 10,340 |
| Contract Labor | - | - | - | - |
| Depreciation and Amortization | 121,843 | 6,413 | - | 128,256 |
| Dues and Subscriptions | 8,422 | - | - | 8,422 |
| In-Kind Expenses: | | | | |
| Annual Fundraising Dinner | - | - | 194,562 | 194,562 |
| Other | 2,100 | 22,500 | 142,400 | 167,000 |
| Insurance | 30,977 | 3,442 | - | 34,419 |
| Janitorial | 4,784 | 532 | - | 5,315 |
| Legal and Professional | 7,697 | 16,689 | 23,011 | 47,397 |
| Postage and Shipping | - | 281 | 842 | 1,122 |
| Program Transportation | 5,129 | - | - | 5,129 |
| Repairs and Maintenance | 23,550 | 2,617 | - | 26,167 |
| Special Events | - | - | 153,062 | 153,062 |
| Supplies | 52,138 | 13,804 | 36,147 | 102,089 |
| Telephone | 5,243 | 5,243 | - | 10,485 |
| Travel | - | - | - | - |
| Utilities | 27,483 | 1,446 | - | 28,929 |
| TOTALS | \$ 668,386 | \$ 190,842 | \$ 550,023 | \$ 1,409,251 |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

| | Support Services | | | 2015 Total |
|-------------------------------|-----------------------------|---------------------------------------|-------------------------|-----------------------|
| | Program Services | General and Administrative | Fund Raising | |
| EXPENSES: | | | | |
| Compensation: | | | | |
| Salaries and Wages | \$ 302,076 | \$ 92,795 | \$ - | \$ 394,871 |
| Health Insurance | 29,120 | 8,946 | - | 38,066 |
| Payroll Taxes | 4,864 | 14,592 | - | 19,456 |
| Training | 5,279 | - | - | 5,279 |
| Bad Debts | - | - | 62,213 | 62,213 |
| Bank Charges | 5,529 | 5,529 | - | 11,058 |
| Contract Labor | - | - | - | - |
| Depreciation and Amortization | 124,898 | 6,574 | - | 131,472 |
| Dues and Subscriptions | 5,099 | - | - | 5,099 |
| In-Kind Expenses: | | | | |
| Annual Fundraising Dinner | 101,001 | - | 140,234 | 241,235 |
| Facilities | - | - | - | - |
| Other | - | - | - | - |
| Insurance | 26,495 | 2,944 | - | 29,439 |
| Janitorial | 9,421 | 1,047 | - | 10,468 |
| Legal and Professional | 12,336 | 26,748 | 36,879 | 75,963 |
| Postage and Shipping | - | 513 | 1,539 | 2,052 |
| Printing and Publishing | - | - | - | - |
| Program Transportation | 6,613 | - | - | 6,613 |
| Repairs and Maintenance | 27,584 | 3,065 | - | 30,649 |
| Special Events | - | - | 38,254 | 38,254 |
| Supplies | 43,393 | 6,813 | 28,742 | 78,948 |
| Telephone | 4,637 | 4,637 | - | 9,274 |
| Travel | 1,084 | - | - | 1,084 |
| Utilities | 24,571 | 1,291 | - | 25,862 |
| | <u>\$ 734,000</u> | <u>\$ 175,494</u> | <u>\$ 307,861</u> | <u>\$ 1,217,355</u> |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

| | 2016 | 2015 |
|---|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Change in Net Assets | \$ 107,863 | \$ (165,555) |
| Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation | 128,256 | 131,472 |
| (Increase) Decrease in: | | |
| Receivables | 19,328 | 49,470 |
| Prepaid Insurance | (4,160) | |
| Increase (Decrease) in: | | |
| Accounts Payable | (787) | (4,311) |
| Construction Payable | - | (270,856) |
| Accrued Expenses | 3,552 | 9,070 |
| Net Cash Used by Operating Activities | 254,052 | (250,710) |
| Cash Flows from Investing Activities | | |
| Purchase of Fixed Assets | (65,472) | (20,260) |
| Net Cash Used by Investing Activities | (65,472) | (20,260) |
| Cash Flows from Financing Activities | - | - |
| Net Increase (Decrease) in Cash and Cash Equivalents | 188,580 | (270,970) |
| Cash Balance, January 1 | 284,856 | 555,826 |
| Cash Balance, December 31 | \$ 473,436 | \$ 284,856 |
| Supplemental Schedule of NonCash Investing and Financing Activities: | | |
| Facilities, supplies and services acquired through donation of in-kind services | \$ 361,562 | \$ 241,234 |

See accompanying notes and accountants' report.

BOYS AND GIRLS CLUBS OF ELKO, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Boys and Girls Clubs of Elko, Inc., is presented to assist the reader in understanding the Club's financial statements. The financial statements and notes are representations of the Club's management, who is responsible for their integrity and objectivity.

Business Activity and History

The Boys and Girls Clubs of Elko, Inc. (the Club) was organized as a nonprofit corporation under the laws of the State of Nevada in September 1996. Its mission is to inspire and enable all young people, especially those from disadvantaged circumstances, to realize their full potential as productive, responsible, and caring citizens. The Club serves youth ages 6 through 17 and currently operates out of a facility located in Elko, Nevada, and has operations in Wells, Nevada.

Nature of Organization

The financial statements of the Club are prepared on the accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to generally accepted accounting principles.

Net Assets

Display of Net Assets-The organization has provided the disclosure and display requirements of the Financial Accounting Standard Codification (ASC) as set forth in ASC 958 "Financial Statements of Not for Profit Organizations". Accordingly, the net assets of the Organization are reported in each of the following three classes: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Under these provisions, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported 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 Organization and/or the passage of time. The Organization had temporarily restricted net assets as of December 31, 2016 and 2015.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that the Organization maintains permanently. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. The Organization had no permanently restricted net assets at December 31, 2016 and 2015.

BOYS AND GIRLS CLUBS OF ELKO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Income Tax Status

The Club is a not-for-profit organization that is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Concentrations of Risk

Financial Instruments that potentially subject the Club to credit risk consist principally of receivables and cash accounts in financial institutions. The Club has not invested in any cash equivalents. All recorded receivable amounts are from federal or state funded programs or private donations, thus the Club does not anticipate any uncollectible amounts. The Club did not exceed the \$250,000 FDIC limits at December 31, 2015, but exceeded the limits as of December 31, 2016 by 135,421. The Club has not experienced any losses in such accounts.

Approximately 51% in 2016 and 50% in 2015 of the Club's unrestricted revenues are derived from special events fundraising. The current level of the Club's operations and program services may be impacted if these special event revenues decline.

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the club considers all unrestricted liquid investments with an initial maturity of three months or less to be cash equivalents.

Donated Assets and Gift Inventories

Non-Cash donations are recorded as contributions at their estimated fair values at the date of donation.

Accounts Receivable

The club collects busing and membership fees from the youth it provides services for. The parents of the youths are billed monthly for the use of the facilities and for specific programs. Some of the families are not able to afford some or all the fees, and the board feels that they will not turn away kids, so they offer them scholarships to offset the fees. The club also has a list of boosters that have committed to support a fixed amount of dollars each year.

Property and Equipment

Purchased property, equipment and buildings are capitalized if the cost is greater than or equal to \$1,000 and the useful life is greater than one year. The assets are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line basis over the estimated useful lives of the assets, which range from 5 to 50 years.

BOYS AND GIRLS CLUBS OF ELKO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Property and Equipment-continued

The Club has adopted FASB Interpretation 47(FIN 47) Accounting for Conditional Asset Retirement Obligations. This standard requires that a liability be recorded for the fair value of a conditional asset retirement obligation. The recording of a liability is required if the fair value of the obligation can be reasonably estimated. As of December 31, 2016 and 2015, the Club is unaware of any such obligations. The Club will recognize a liability in the period in which they become aware of such liability and sufficient information is available to reasonably estimate its fair value.

Use of Estimates

The preparation of a financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

Pledges

Unconditional promises to give (pledges) are recognized as revenue in the period received. All pledges are available for unrestricted use unless specifically restricted by the donor. Bequests are recorded as revenue at the time an unassailable right to the gift has been established and the proceeds are measurable.

Contributions and Grants

Grant revenues are recorded as they are earned, according to the provisions of the grant. Normally, grant revenues are earned and received as the grant period progresses. The provisions of the grant determine the timing of revenue recognition. Grant expenses are recognized when incurred for a grant-related obligation.

Contributions and grants that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. In the absence of a donor's explicit stipulation, support is reported as unrestricted.

Vacation Time and Sick Leave Benefits

The Club recorded an accrual for the accumulated unused vacation benefits in the amounts of \$0 and \$4,432 for the years ended December 31, 2016 and 2015, respectively. No compensation for unused sick leave is paid upon termination or retirement; therefore no related liability has been recorded.

BOYS AND GIRLS CLUBS OF ELKO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Functional Expenses

The costs of providing the Club's various programs and services often relate to more than one fund or activity. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2 – FIXED ASSETS

Fixed assets at December 31, 2016 and 2015 are as follows:

| | Balance | | | Balance |
|-----------------------|---------------------|------------------|---------------------|---------------------|
| | at 12/31/15 | Additions | Subtractions | at 12/31/16 |
| Land | \$ 21,155 | | - | \$ 21,155 |
| Buildings | 3,688,198 | 15,498 | | 3,703,696 |
| Furniture & Equipment | 315,610 | 49,974 | - | 365,584 |
| Feasibility Study | 142,630 | - | - | 142,630 |
| Software | 18,542 | - | - | 18,542 |
| Total | 4,186,135 | 65,472 | - | 4,251,607 |
| Less: A/Depreciation | (414,031) | (128,256) | | (542,287) |
| Net Fixed Assets | <u>\$ 3,772,104</u> | | | <u>\$ 3,709,320</u> |

Depreciation and amortization expense for the years ended December 31, 2016 and December 31, 2015 was \$128,256 and \$131,472 respectively.

NOTE 3 – CONTINGENCIES

Generally, grants require the fulfillment of certain conditions as set forth in the grant contract. Failure to fulfill the conditions could result in the return of the funds to grantors. The Club's policy is to determine its ability to meet all required conditions before accepting the grant. Therefore, the Club's management deems the likelihood of this contingency remote.

NOTE 4 – PLEDGES AND CONTRIBUTIONS RECEIVABLE

A capital campaign began in the fiscal year ended June 30, 2010. The club received several very large pledges and contributions over the course of the year ended December 31, 2012. The club recognizes pledges receivable for the next fiscal year at 100% of the pledge. Pledges that are receivable in the next two to five years are discounted to net present value. There were no pledges receivable as of December 31, 2016.

BOYS AND GIRLS CLUBS OF ELKO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 and 2015

NOTE 5 – IN-KIND DONATION AMOUNTS

The In-Kind donation amounts recognized in the financial statements at December 31, 2015 and 2016 are as follows:

| | 2015 | 2016 |
|----------------------------|------------|------------|
| Support: | | |
| Annual Fundraising Dinner: | | |
| Facility and meals | \$ 17,566 | \$ 17,600 |
| Beverages | 6,600 | 21,600 |
| Auction Items | 110,000 | 150,000 |
| Other Fundraisers | 18,450 | 135,900 |
| Program: | | |
| Program, General & Admin | 88,618 | 24,600 |
| Total | \$ 241,234 | \$ 349,700 |

NOTE 6 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of ASC 825, Financial Instruments. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies. However, considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Organization could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Cash, receivables, accounts payable and accrued liabilities

The carrying amounts reported in the statement of financial position for cash, receivables, accounts payable and accrued liabilities are a reasonable estimate of their fair value.

NOTE 7 – SUBSEQUENT EVENTS

The Club has evaluated subsequent events up to October 9, 2017, the date which the financial statements were available to be issued.

**BOYS AND GIRLS CLUBS OF ELKO, INC.
SCHEDULE OF REVENUES AND EXPENSES
ANNUAL WINEMAKER'S DINNER
FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015**

| | <u>2016</u> | <u>2015</u> |
|--|-------------------|-------------------|
| REVENUES | | |
| Auctions | \$ 219,147 | \$ 217,485 |
| Dinner Seating | 23,278 | 19,350 |
| In-kind Contributions-Auction Items, Facility and Wine | <u>194,562</u> | <u>134,166</u> |
| Total Revenue | 436,987 | 371,001 |
| EXPENSES | | |
| Auctions | 22,808 | 22,932 |
| In-kind Contributions-Auction Items, Facility and Wine | 194,562 | 134,166 |
| Supplies | <u>7,181</u> | <u>6,870</u> |
| Total Expenses | <u>224,551</u> | <u>163,968</u> |
| Net Revenue | <u>\$ 212,436</u> | <u>\$ 207,033</u> |

See accompanying accountants' report.