OUTSIDE LAS VEGAS FOUNDATION

FINANCIAL STATEMENTS

December 31, 2015 and 2014

C O N T E N T S

CERTIFIED PUBLIC
ACCOUNTANTS AND
BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Outside Las Vegas Foundation
Las Vegas, Nevada

We have audited the accompanying financial statements of Outside Las Vegas Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of operations, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors' 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 auditors consider 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 the accounting policies used and 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.

SALT LAKE CITY, UT | 155 NORTH 400 WEST STE 400, SLC, UT 84103 | PHN 801.328.2011 FAX 801.328.2015
LEHI, UT | 2989 WEST MAPLE LOOP DRIVE STE 210, LEHI, UT 84043 | PHN 801.328.2011 FAX 801.766.1551
LAS VEGAS, NV | 1820 E. WARM SPRINGS RD STE 112, LV, NV 89119 | PHN 702.451.3099 FAX 702.568.5030
OGDEN, UT | 4605 SOUTH HARRISON BLVD STE 201, OGDEN, UT 84403 | PHN 801.328.2011 FAX 801.689.2303
www.WSRP.com
info@wsrp.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Outside Las Vegas Foundation as of December 31, 2015 and 2014, 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.

WSRP LLC

Las Vegas, Nevada
August 12, 2016

OUTSIDE LAS VEGAS FOUNDATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 165,952	$ 96,433
Accounts receivable	-	37,662
Grants receivable	63,461	22,182
Other receivables	3,232	1,373
Prepaid expenses	7,323	9,016
Deposits	2,200	2,200
TOTAL CURRENT ASSETS	242,168	168,866
EQUIPMENT	7,971	8,045
INTANGIBLE ASSETS	12,340	10,471
TOTAL ASSETS	$ 262,479	$ 187,382
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 9,534	$ 1,035
Other current liabilities	24,287	25,018
TOTAL CURRENT LIABILITIES	33,821	26,053
NET ASSETS		
Unrestricted	228,658	161,329
TOTAL NET ASSETS	228,658	161,329
TOTAL LIABILITIES AND NET ASSETS	$ 262,479	$ 187,382

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

OUTSIDE LAS VEGAS FOUNDATION
STATEMENT OF ACTIVITIES
Year ended December 31, 2015

	Unrestricted
REVENUES AND SUPPORT	
Grants and contracts	$ 498,384
Contributions	121,774
Program revenue	52,223
Event revenue	22,108
Interest income	61
TOTAL REVENUES AND SUPPORT	694,550
EXPENSES	
Program services	535,671
Management and general	40,662
Fundraising activities	50,888
TOTAL EXPENSES	627,221
CHANGE IN NET ASSETS	67,329
NET ASSETS AT BEGINNING OF YEAR	161,329
NET ASSETS AT END OF YEAR	$ 228,658

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

OUTSIDE LAS VEGAS FOUNDATION
STATEMENT OF ACTIVITIES
Year ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
REVENUES AND SUPPORT			
Grants and contracts	$ 359,062	$ -	$ 359,062
Contributions	133,924	-	133,924
Program revenue	20,221	-	20,221
Event revenue	18,602	-	18,602
Interest income	47	-	47
Miscellaneous revenue	1,324	-	1,324
Net assets released from restrictions	4,914	(4,914)	-
TOTAL REVENUES AND SUPPORT	538,094	(4,914)	533,180
EXPENSES			
Program services	476,291	-	476,291
Management and general	68,264	-	68,264
Fundraising activities	36,823	-	36,823
TOTAL EXPENSES	581,378	-	581,378
CHANGE IN NET ASSETS	(43,284)	(4,914)	(48,198)
NET ASSETS AT BEGINNING OF YEAR	204,613	4,914	209,527
NET ASSETS AT END OF YEAR	$ 161,329	$ -	$ 161,329

See accountants' report.

OUTSIDE LAS VEGAS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2015

	Program Services	Management and General	Fundraising Activities	Total
Accounting fees	$ 17,280	$ 2,160	$ 2,160	$ 21,600
Advertising	602	75	75	752
Computer expenses	4,202	525	525	5,252
Depreciation and amortization	7,841	980	980	9,801
Dues and subscriptions	2,172	271	271	2,714
Employee benefits	13,284	1,661	1,661	16,606
Event expense	10,227	-	10,226	20,453
Insurance	6,652	831	831	8,314
Office expenses	4,833	605	605	6,043
Payroll taxes	16,711	2,089	2,089	20,889
Professional fees	171	21	21	213
Program expenses	117,926	-	-	117,926
Rent	30,360	3,795	3,795	37,950
Salaries and wages	284,877	25,332	25,332	335,541
Taxes and licenses	485	60	60	605
Training	5,589	699	699	6,987
Travel	6,382	798	798	7,978
Utilities	4,777	597	597	5,971
Vehicle expense	1,300	163	163	1,626
TOTAL FUNCTIONAL EXPENSES	$ 535,671	$ 40,662	$ 50,888	$ 627,221

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

OUTSIDE LAS VEGAS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2014

	Program Services	Management and General	Fundraising Activities	Total
Accounting fees	$ 1,533	$ 13,802	$ -	$ 15,335
Advertising	3,259	752	1,003	5,014
Computer expenses	4,121	2,060	2,060	8,241
Depreciation and amortization	6,344	1,359	1,359	9,062
Dues and subscriptions	450	-	-	450
Donations	739	369	369	1,477
Employee benefits	18,288	1,662	831	20,781
Event expense	-	-	7,867	7,867
Insurance	6,811	6,812	-	13,623
Meals and entertainment	-	763	-	763
Office expense	1,147	5,355	1,148	7,650
Payroll taxes	19,325	1,757	878	21,960
Professional expenses	17,162	8,479	5,816	31,457
Program expenses	170,862	-	-	170,862
Rent	23,100	4,950	4,950	33,000
Salaries and wages	196,623	17,475	9,426	223,524
Taxes and licenses	-	209	-	209
Training	-	1,248	-	1,248
Travel	-	96	-	96
Utilities	5,207	1,116	1,116	7,439
Vehicle expense	1,320	-	-	1,320
TOTAL FUNCTIONAL EXPENSES	$ 476,291	$ 68,264	$ 36,823	$ 581,378

See accountants' report.

OUTSIDE LAS VEGAS FOUNDATION
STATEMENTS OF CASH FLOWS
Years ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 67,329	$ (48,198)
Adjustment to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	9,801	9,062
		-
Changes in operating assets and liabilities:		
Trade accounts receivable	-	(21,052)
Contracts and grants receivable	(3,617)	(22,182)
Other receivables	(1,859)	2,377
Prepaid expenses	1,693	(2,474)
Accounts payable	8,499	(5,713)
Accrued expenses	(731)	14,644
Net cash flows from (used by) operating activities	81,115	(73,536)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchases of equipment	(11,596)	-
Net cash used by investing activities	(11,596)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for insurance financing	-	(3,882)
Net cash used by financing activities	-	(3,882)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	69,519	(77,418)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	96,433	173,851
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 165,952	$ 96,433

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

OUTSIDE LAS VEGAS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Outside Las Vegas Foundation (the Organization), a non-profit organization, was formed in August of 2000 and seeks to raise funds in order to enhance the connection between the residents of Southern Nevada and the public lands surrounding the community. By working with the community, businesses, and volunteers, the Organization is able to provide people with safe and memorable experiences of the public trails, parks, and open spaces in Southern Nevada, while also encouraging people to further their education and awareness of what the Southern Nevada landscape has to offer.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting. The Organization follows generally accepted accounting principles for nonprofit organizations and 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. Classification of restricted net assets is determined by the nature of any donor imposed restrictions.

- Unrestricted contributions and net assets represent expendable funds available for operations which are not otherwise limited by donor restrictions.

- Temporarily restricted contributions and net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.

- Permanently restricted contributions and net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents are generally comprised of certain highly liquid investments with maturities of three months or less at the date of purchase.

Intangible Assets

Intangible assets with finite lives are amortized using the straight-line method over their estimated useful lives.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with donors having outstanding balances and the current relationship with them, it has concluded that realization losses on balances outstanding at year end will be immaterial.

Grants and Contracts Receivables

Grants and contracts receivables are expenses that have not been reimbursed by a grant or contract for which the expenses have been incurred. Based on the grant award and/or contract and prior experience with the grantor and/or contract holder, management has concluded that realization losses on balances outstanding at year end will be immaterial.

Concentrations of Credit Risk

The Organization's financial instruments that may be exposed to concentrations of credit risk consist primarily of temporary cash investments and receivables.

The Organization maintains its cash balances at a financial institution. At times such investments may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

Receivables are stated at the amount management expects to collect from grants, contracts, contributions, and programs. As of December 31, 2015, five grantors accounted for 68% of the Organization's grants receivable. As of December 31, 2014, three grantors accounted for 91% of the Organization's accounts receivable, and one grant accounted for all of the Organization's grants receivable. However, the Organization believes it is not exposed to any significant credit risk on receivables due to the nature of the agreements with donors and grantors.

Equipment

Equipment is stated at cost net of accumulated depreciation. Expenditures that increase values or extend useful lives are capitalized and routine maintenance and repairs are charged to expense in the year incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation begins in the month of acquisition or when constructed or developed assets are ready for their intended use.

In-kind Contributions

In-kind contributions received by the Organization are recorded at fair market value and recognized as revenue in the accounting period in which they are received. As of December 31, 2015 and 2014, in-kind contributions were $7,975 and $0, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Revenue Recognition

Revenue from grants and contracts is recognized when earned and is considered to be available for unrestricted use unless otherwise specified by the grant agreement or contract. At times revenue from grants and contracts may contain donor-imposed restrictions.

Contributions are recognized as support in the statement of activities in the period received or unconditionally pledged and are considered to be available for unrestricted use unless otherwise specified by the donor. Donor-restricted contributions are classified as temporarily restricted and included in net assets released from restrictions when expended for their intended purpose.

Program and event revenue are recognized when earned. Deferred program income is recognized when payment is collected, but revenues are not yet earned.

Advertising and Promotion

All costs associated with advertising and promoting the Organization's goods and services are expensed in the year incurred. Advertising expense totaled $752 and $5,014 for the years ended December 31, 2015 and 2014, respectively.

Subsequent Events

Management of the Organization has evaluated subsequent events through August 12, 2016, which is also the date the financial statements were available to be issued. No subsequent events were noted during this evaluation that require recognition or disclosure in these financial statements.

NOTE 2 - EQUIPMENT

Equipment is as follows:

	2015	2014
Equipment	$ 15,950	$ 12,934
Accumulated depreciation	(7,979)	(4,889)
Net book value	$ 7,971	$ 8,045

Depreciation expense for the years ended December 31, 2015 and 2014 was $3,090 and $2,587, respectively.

NOTE 3 - INTANGIBLE ASSETS

Intangible assets consist of the following:

2015		
Website development and design	$	44,956
Accumulated amortization		(32,616)
Net book value	$	12,340

2014		
Website development and design	$	36,376
Accumulated amortization		(25,905)
Net book value	$	10,471

Amortization of intangible assets for the years ended December 31, 2015 and 2014 was $6,711 and $6,475, respectively. Future estimated amortization is as follows:

2016	$	7,515
2017		2,889
2018		1,936
	$	12,340

NOTE 4 - OTHER CURRENT LIABILITIES

Other current liabilities are as follows:

		2015		2014
Accrued payroll liabilities	$	21,367	$	14,910
Insurance financing		-		2,381
Deferred program income		2,920		6,817
Other current liabilities		-		910
	$	24,287	$	25,018

In the first quarter of 2016 the Organization offered two training classes for which they collected payment prior to December 31, 2015. These collections were recorded as deferred revenue. The Organization will recognize the revenue in 2016 when it is earned.

NOTE 4 - OTHER CURRENT LIABILITIES (CONTINUED)

In the first quarter of 2015 the Organization offered two training classes for which they collected payment prior to December 31, 2014. These collections were recorded as deferred revenue. The Organization recognized the revenue when it was earned.

In August 2014 the Organization financed its annual insurance premium of $6,263. The arrangement matured March 2015 and bore interest at $6.75% with monthly payments of $809. At December 31, 2014 the outstanding balance owed was $2,381.

NOTE 5 - OPERATING LEASES

The Organization leases office space under an operating lease on a month to month basis. The Organization is subletting a portion of the office space. Total rent expense for the year ended December 31, 2015 and 2014 was $37,950 and $33,000, respectively. There are no future minimum lease payments.