OUTSIDE LAS VEGAS FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2012
**Table of Contents**

Independent Auditors’ Report........................................................................................................................................ 1

Financial Statements:
- Statement of Financial Position .......................................................................................................................... 3
- Statement of Activities........................................................................................................................................ 4
- Statement of Cash Flows .................................................................................................................................... 5
- Notes to Financial Statements............................................................................................................................. 6

Supplementary Information:
- Schedule of Functional Expenses .................................................................................................................. 10
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Independent Auditors’ Report

The Board of Trustees of
Outside Las Vegas Foundation
Las Vegas, Nevada

We have audited the accompanying statement of financial position of Outside Las Vegas Foundation (a nonprofit organization) as of September 30, 2012 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Outside Las Vegas Foundation’s management. 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 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 audit provides 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 Outside Las Vegas Foundation as of September 30, 2012 and the changes in its 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 10 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.

HintonBurdsick, PLLC
January 18, 2013
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## Outside Las Vegas Foundation

### Statement of Financial Position

**September 30, 2012**

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

### ASSETS

#### Current assets
- Cash and cash equivalents $85,264
- Accounts receivable 69,401
- Prepaid expenses 25,545
- Restricted cash 69,098

Total current assets 249,308

#### Property and equipment
- Furniture and equipment 4,416
- Accumulated depreciation (294)

Total property and equipment 4,122

#### Other assets
- Deposits 1,100
- Website design/development costs, net of accumulated amortization of $14,771 3,819

Total other assets 4,919

**Total assets**

$258,349

### LIABILITIES AND NET ASSETS

#### Current liabilities
- Accounts payable $14,557
- Accrued expenses 16,741
- Deferred revenue 30,500

Total current liabilities 61,798

#### Net assets
- Unrestricted 127,453
- Temporarily restricted 69,098

Total net assets 196,551

**Total liabilities and net assets**

$258,349
**Statement of Activities**
For the Year Ended September 30, 2012

<table>
<thead>
<tr>
<th>Revenues, gains and other support:</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts and agreements</td>
<td>$ 328,651</td>
<td>$</td>
<td>$ 328,651</td>
</tr>
<tr>
<td>Donations and grants</td>
<td>55,803</td>
<td>116,525</td>
<td>172,328</td>
</tr>
<tr>
<td>In-kind donations</td>
<td>11,480</td>
<td></td>
<td>11,480</td>
</tr>
<tr>
<td>Program service revenue</td>
<td>7,554</td>
<td></td>
<td>7,554</td>
</tr>
<tr>
<td>Other income</td>
<td>1,112</td>
<td></td>
<td>1,112</td>
</tr>
<tr>
<td><strong>Net assets released from restrictions:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction of program restrictions</td>
<td>72,427</td>
<td>(72,427)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues, gains and other support</strong></td>
<td>477,027</td>
<td>44,098</td>
<td>521,125</td>
</tr>
</tbody>
</table>

| Expenses and losses:            |              |                       |       |
| Program                          | 383,012      |                        | 383,012 |
| Management and general           | 71,656       |                        | 71,656 |
| Fundraising                      | 9,157        |                        | 9,157  |
| **Total expenses**               | 463,825      |                        | 463,825 |

| Change in net assets            |              |                       |       |
| Net assets at beginning of year | 114,251      | 25,000                 | 139,251 |
| **Net assets at end of year**   | $ 127,453    | $ 69,098               | $ 196,551 |

The accompanying notes are an integral part of the financial statements
### Statement of Cash Flows
For the Year Ended September 30, 2012

The accompanying notes are an integral part of the financial statements.
NOTE 1. Significant Accounting Policies

Nature of Operations

The Outside Las Vegas Foundation (the Organization), a 501(c)(3) non-profit organization, was formed in August 2000 to enhance the connections between people and the public lands in Southern Nevada. By helping to build collaborative systems, processes and partnerships that support better stewardship of public lands, the Organization works to encourage citizens to look at the landscape in a more holistic manner and to enhance educational and recreational experiences for the visiting public.

The Organization's primary focus areas are connected trails and open space systems, conservation programs and outdoor education. The Organization works with Southern Nevada citizens, the business community, educators, advocacy organizations and governmental entities to reach shared goals. The Organization supports effective collaboration to solve important community issues regarding quality of life and stewardship of public lands in Southern Nevada.

The Organization’s major sources of revenues consist of contributions and government contracts and agreements.

Date of Management’s Review

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 18, 2013, the date the financial statements were available to be issued.

Provision for Income Tax

No provision has been made for Federal income taxes because the Organization is exempt from Federal income tax as a public charity organization under Section 501(c)(3) of the Internal Revenue Code. The Organization has implemented accounting guidance associated with accounting for uncertainty in income taxes. There was no impact to the Organization’s financial statements as a result of the implementation of this guidance.

Cash and Cash Equivalents

The Organization’s cash and cash equivalents are considered to be cash-on-hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition for purposes of the statement of cash flows. Restricted cash, if any, is included in the cash balances of the statement of cash flows.
NOTE 1. Significant Accounting Policies (Continued)

Property and Equipment and Other Assets

The Organization capitalizes property and equipment that have estimated useful lives greater than two years. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Furniture and equipment are depreciated using the straight-line method over an estimated useful life of five years.

The Organization also capitalizes significant website design and development costs that are amortized over three years.

For the year ending September 30, 2012, amortization expense was $5,788 and depreciation expense was $294.

Contributions

Contributions are recognized as revenue when they are received. Contributions with donor-imposed restrictions are reported as temporarily restricted or permanently restricted revenues. Temporarily restricted net assets are reclassified to unrestricted net assets when the donor restrictions are met. Restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.

Contributions of services are recognized when received if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization reports such contributions at their estimated fair value when received.

Advertising Costs

Advertising costs are expensed as incurred. Advertising and promotion expense for the year ending September 30, 2012 was $15,368.

Use of Estimates

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

NOTE 2. Accounts Receivable

The majority of the receivables at fiscal year end relates to program contracts and agreements. Management considers all receivables to be collectible; therefore, an allowance for doubtful account is not considered necessary.
NOTE 3. Restricted Net Assets

As of September 30, 2012, temporarily restricted net assets consist of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vegas Valley Rim Trail - financial analysis</td>
<td>$160</td>
</tr>
<tr>
<td>Adopt-A-Trail</td>
<td>$6,160</td>
</tr>
<tr>
<td>Field trips - outings for youth</td>
<td>$10,503</td>
</tr>
<tr>
<td>Field trips - subsequent year</td>
<td>$5,000</td>
</tr>
<tr>
<td>Virgin River Coalition Partnership</td>
<td>$47,275</td>
</tr>
<tr>
<td>Total temporarily restricted net assets</td>
<td><strong>$69,098</strong></td>
</tr>
</tbody>
</table>

The restricted cash balance at September 30, 2012 relates to the temporarily restricted net assets.

NOTE 4. Prepaid Expenses and Deferred Revenue

The deferred revenue on the statement of financial position relates to program service revenue of an event to be held in fiscal year 2013. The majority of the prepaid expenses on the statement of financial position also relate to this event.

NOTE 5. In-kind Contributions

For the year ending September 30, 2012, the Organization recognized $11,480 of in-kind donations as shown on the statement of activities. This in-kind donation relates to donated facility use ($7,040 – see also note 6), other expenses ($1,590) and capital assets ($2,850).

NOTE 6. Related-Party Transactions

For the year ending September 30, 2012, Lucchesi Galati, a firm owned in part by a trustee of the Organization, provided office space and related services to the Organization. The donated facility use for the fiscal year was valued at $7,040 and has been recognized in the accompanying financial statements.

NOTE 7. Subsequent Event – Change in Accounting Period

The trustees of the Organization approved to change from a September 30th fiscal year-end to a December 31st year-end. This change has no effect on these financial statements but will on financial statements of future periods. For IRS reporting purposes, the Organization will file a short period return for the three months ending December 31, 2012.
SUPPLEMENTARY INFORMATION
## Schedule of Functional Expenses
For the Year Ended September 30, 2012

<table>
<thead>
<tr>
<th>Expense category</th>
<th>Program</th>
<th>Management &amp; General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and promotion</td>
<td>$14,715</td>
<td>$646</td>
<td>$7</td>
<td>15,368</td>
</tr>
<tr>
<td>Amortization and depreciation</td>
<td>887</td>
<td>4,975</td>
<td>220</td>
<td>6,082</td>
</tr>
<tr>
<td>Contractual expenses</td>
<td>161,054</td>
<td>-</td>
<td>161,054</td>
<td></td>
</tr>
<tr>
<td>Donations to others</td>
<td>6,500</td>
<td>-</td>
<td>6,500</td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>8,679</td>
<td>964</td>
<td>452</td>
<td>10,095</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>3,364</td>
<td>3,364</td>
<td></td>
</tr>
<tr>
<td>Legal and accounting</td>
<td>2,489</td>
<td>11,031</td>
<td>-</td>
<td>13,520</td>
</tr>
<tr>
<td>Occupancy</td>
<td>9,460</td>
<td>2,365</td>
<td>2,365</td>
<td>14,190</td>
</tr>
<tr>
<td>Office expense</td>
<td>7,030</td>
<td>1,765</td>
<td>-</td>
<td>8,793</td>
</tr>
<tr>
<td>Organization development services</td>
<td>-</td>
<td>32,500</td>
<td>-</td>
<td>32,500</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>9,782</td>
<td>1,087</td>
<td>508</td>
<td>11,377</td>
</tr>
<tr>
<td>Printing and copying</td>
<td>5,405</td>
<td>-</td>
<td>-</td>
<td>5,405</td>
</tr>
<tr>
<td>Program expenses</td>
<td>46,181</td>
<td>-</td>
<td>-</td>
<td>46,181</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>103,328</td>
<td>11,480</td>
<td>5,373</td>
<td>120,181</td>
</tr>
<tr>
<td>Training and meetings</td>
<td>1,189</td>
<td>1,469</td>
<td>232</td>
<td>2,890</td>
</tr>
<tr>
<td>Travel</td>
<td>6,313</td>
<td>12</td>
<td>-</td>
<td>6,325</td>
</tr>
</tbody>
</table>

Total                                     | $383,012 | $71,656             | $9,157      | $463,825 |