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Financial Statements

June 30, 2017

Friends of the Utah Avalanche Forecast Center, Inc

Stewart Reeve CPA  
898 E 2100 S  
Lehi, UT 84043-5137  
801-787-9614

To the Board of Directors:

Friends of the Utah Avalanche Forecast Center, Inc  
PO Box 521353  
Salt Lake City, UT 84152

We have reviewed the accompanying balance sheet of Friends of the Utah Avalanche Forecast Center, Inc as of June 30, 2017, and the related statements of income and retained earnings and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Stewart Reeve CPA  
Lehi, Utah

January 15, 2018

**Friends of the Utah Avalanche Forecast Center, Inc**  
**Statement of Financial Position**  
**As of June 30, 2017**

**Assets**

**Current Assets**

Cash	\$	167,507
Accounts Receivable		11,610
Inventory		13,880
Security Deposit		<u>2,500</u>
<b>Total Current Assets</b>		195,497

**Non current Assets**

Marketable Securities		467,141
Property and Equipment (net of depreciation)		<u>6,402</u>
<b>Total Non Current Assets</b>		473,543

<b>Total Assets</b>		669,040
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**Liabilities and Net Assets**

**Current Liabilities**

Accounts Payable		1,872
Accrued Payroll		<u>1,184</u>
<b>Total Current Liabilities</b>		3,057

<b>Total Liabilities</b>		3,057
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**Net Assets**

Unrestricted Net Assets		198,842
Quasi Endowment		<u>467,141</u>
<b>Total Net Assets</b>		665,983

<b>Total Liabilities and Net Assets</b>	\$	669,040
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**Friends of the Utah Avalanche Forecast Center, Inc**  
**Statement of Activities and Change in Net Assets**  
**Year Ended June 30, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Public Support and Revenue</b>			
Public Support	\$ 306,500	\$	\$ 161,695
Program Services	61,778		
Merchandise Sales	15,079		15,079
Less Cost of Goods Sold	<u>(4,639)</u>	<u>-</u>	<u>(4,639)</u>
Net Sales	10,440		10,440
Special Events	161,695		
Less Direct Event Costs	<u>(41,327)</u>		
Net Special Events	120,368		
Interest and Dividends	8,111		
Unrealized Gain or (Loss) on Investment	47,730		47,730
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Public Support and Revenue</b>	554,926	-	554,926
<b>Expenses</b>			
Program Services	364,132		364,132
Management and general	63,718		63,718
Fundraising	<u>27,127</u>	<u>-</u>	<u>27,127</u>
<b>Total Expenses</b>	454,976	-	454,976
<b>Change in Net Assets</b>	<u>99,949</u>	<u>-</u>	<u>99,949</u>
<b>Net Assets, Beginning of Year</b>	<u>566,034</u>	<u>-</u>	<u>566,034</u>
<b>Net Assets, End of Year</b>	\$ <u>665,983</u>	\$ <u>-</u>	\$ <u>665,983</u>

**Friends of the Utah Avalanche Forecast Center, Inc**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2017**

	Program Services	Support Services		Total
	Program Services	Mangement and General	Fundraising	
Outside services	\$ 215,141	\$ 69	\$ 870	\$ 216,080
Salaries and wages	80,580	38,014	16,780	135,374
Travel	12,484	3,294	310	16,088
Supplies	13,396	1,392	1,071	15,859
Benefits and taxes	10,365	3,902	976	15,243
Equipment	13,897	588	-	14,485
Professional services	-	9,740	-	9,740
Bank charges	825	1,281	6,050	8,156
Telephone	6,800	551	339	7,690
Occupancy	4,167	641	392	5,200
Conferences	4,937	70	139	5,145
Postage	73	2,333	-	2,406
Insurance	-	770	-	770
Other	-	75	200	275
Depreciation	1,467	998	-	2,465
Total Expenses	\$ 364,132	\$ 63,718	\$ 27,127	\$ 454,976

**Friends of the Utah Avalanche Forecast Center, Inc**  
**Statement of Cash Flows**  
**For the 12 Months Ended June 30, 2017**

<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$	99,949
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Accounts Receivable		(11,046)
Inventory		(13,880)
Accounts Payable		1,872
Accrued Payroll		1,184
Total Adjustments		(21,870)
<b>Net Cash Provided By (Used In) Operating Activities</b>		<b>78,079</b>
<b>Cash Flows from Investing Activities</b>		
Property Plant and Equipment		(3,574)
Accumulated Depreciation		2,465
Investment in Marketable Securities		(55,377)
<b>Net Cash Provided By (Used In) Investing Activities</b>		<b>(56,486)</b>
<b>Cash Flows from Financing Activities</b>		
<b>Net Cash Provided By (Used In) Financing Activities</b>		
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>		<b>21,593</b>
<b>Beginning Cash and Cash Equivalents</b>		<b>145,914</b>
<b>Ending Cash and Cash Equivalents</b>	<b>\$</b>	<b>167,507</b>

**Friends of the Utah Avalanche Forecast Center, Inc**  
**Notes to Financial Statements**  
**June 30, 2017**

**1. Accounting Policies**

**Organization**

Utah Avalanche Center is a non-profit corporation under section 501(c)3 of the Internal Revenue Service. The entity was organized and operates under the laws of the State of Utah. The mission is to keep people on top of the Greatest Snow on Earth. The UAC provides avalanche forecasting, education and awareness programs like Know Before You Go (KBYG) to provide backcountry travelers the tools they need to stay alive and have fun in avalanche terrain.

**Accounting Method**

The organization prepares its statements on the accrual basis of accounting, whereby income and expenses are recognized when earned and incurred.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles. This requires management to make estimates and assumptions that affect the reported amounts of 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 and those differences could be material.

**Cash and Cash Equivalents**

The organization considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to capital expenditures, permanent endowment, or other long-term purposes of Friends of the Utah Avalanche Forecast Center are excluded from this definition.

**Net Assets**

Unrestricted Net Assets- Net Assets available for use in general operations.

Temporarily Restricted Net Assets- Net assets subject to donor restrictions that may or will be met by expenditures or actions of Friends of the Utah Avalanche Center and/or the passage of time.

Permanently Restricted Net Assets- Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of Utah Avalanche Center.

**Inventory**

Inventories are stated at lower of cost or market, determined by the first-in first-out method.

**2. Property and Equipment**

Property and equipment at June 30, 2017 and 2016 consist of:

**2017**

20,027

Less Accumulated Depreciation

(13,625)

\$ 6,402

Depreciation of property and equipment for the year ended June 30, 2017 was \$2,465.

**Friends of the Utah Avalanche Forecast Center, Inc**  
**Notes to Financial Statements**  
**June 30, 2017**

**3. Federal Income Taxes**

The organization is organized as a Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifying for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined to not be a private foundation. The organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, Utah Avalanche Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The organization has determined it is not subject to unrelated business income tax and has not filed an 990-T with the IRS.