

Milwaukee County War Memorial, Inc.

Milwaukee, Wisconsin

Financial Statements and Supplementary Information

Years Ended December 31, 2017 and 2016

WIPFLi_{LLP}
CPAs and Consultants

Milwaukee County War Memorial, Inc.

Years Ended December 31, 2017 and 2016

Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Cash Flows.....	5
Notes to Financial Statement.....	6
Supplementary Information	
Schedules of Activities - Operating Fund.....	15



Independent Auditor's Report

Memorial Board of Trustees
Milwaukee County War Memorial, Inc.
Milwaukee, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Milwaukee County War Memorial, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities 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; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 Milwaukee County War Memorial, Inc. as of December 31, 2017 and 2016, 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.



Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information appearing on page 15 is presented for the purpose 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Wipfli LLP". The script is cursive and fluid.

Wipfli LLP
Milwaukee, Wisconsin

April 4, 2018

Milwaukee County War Memorial, Inc.

Statements of Financial Position

December 31, 2017 and 2016

Assets	2017	2016
Current assets:		
Cash and cash equivalents	\$ 2,132,712	\$ 1,703,299
Accounts receivable:		
Trade	27,633	21,068
Milwaukee County	125,000	-
Current portion of pledges receivable	115,782	21,000
Prepaid expenses	23,261	19,949
Total current assets	2,424,388	1,765,316
Pledges receivable, net of current portion	103,999	24,449
Property and equipment, net of accumulated depreciation	11,899,020	9,249
TOTAL ASSETS	\$ 14,427,407	\$ 1,799,014
Liabilities and Net Assets	2017	2016
Current liabilities:		
Accounts payable	\$ 287,947	\$ 96,244
Accrued expenses	118,874	85,617
Current portion of deferred revenue	105,333	101,364
Total current liabilities	512,154	283,225
Deferred revenue, less current portion	6,227	3,000
Total liabilities	518,381	286,225
Net assets:		
Unrestricted	12,767,425	1,067,276
Temporarily restricted	1,141,601	445,513
Total net assets	13,909,026	1,512,789
TOTAL LIABILITIES AND NET ASSETS	\$ 14,427,407	\$ 1,799,014

See accompanying notes to financial statements.

Milwaukee County War Memorial, Inc.

Statements of Activities

Years Ended December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and revenue:						
Revenue from operations	\$ 1,100,897	\$ -	\$ 1,100,897	\$ 1,210,169	\$ -	\$ 1,210,169
Milwaukee County appropriations	611,000	-	611,000	486,000	-	486,000
Contributions for operations	103,089	-	103,089	74,471	-	74,471
Contributions for special projects	15,801	738,847	754,648	2,337	161,239	163,576
Gifts in-kind	11,436,903	-	11,436,903	11,815	-	11,815
Vietnam Veterans Memorial	-	1,828	1,828	-	4,471	4,471
Net assets released from restrictions	44,587	(44,587)	-	157,486	(157,486)	-
Total support and revenue	13,312,277	696,088	14,008,365	1,942,278	8,224	1,950,502
Expenses:						
Operations	1,552,490	-	1,552,490	1,489,336	-	1,489,336
Special projects	58,143	-	58,143	153,177	-	153,177
Vietnam Veterans Memorial	1,495	-	1,495	4,529	-	4,529
Total expenses	1,612,128	-	1,612,128	1,647,042	-	1,647,042
Change in net assets	11,700,149	696,088	12,396,237	295,236	8,224	303,460
Net assets at beginning	1,067,276	445,513	1,512,789	772,040	437,289	1,209,329
Net assets at end	\$ 12,767,425	\$ 1,141,601	\$ 13,909,026	\$ 1,067,276	\$ 445,513	\$ 1,512,789

See accompanying notes to financial statements.

Milwaukee County War Memorial, Inc.

Statements of Cash Flows

Years Ended December 31, 2017 and 2016

	2017	2016
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	\$ 12,396,237	\$ 303,460
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions designated for capital expenditures	(708,526)	(39,466)
Renovations and capital expenditures transferred to Milwaukee County	22,125	38,697
Property acquired from Milwaukee County under condominium agreement	(11,400,000)	-
Bad debt expense	4,551	-
Depreciation expense	3,042	12,064
Changes in operating assets and liabilities:		
Accounts receivable	(136,116)	(14,337)
Pledges receivable	1,693	(5,428)
Prepaid expenses	(3,312)	(3,087)
Accounts payable	86,198	51,310
Accrued expenses	1,688	21,250
Deferred revenue	7,196	28,080
Net cash provided by operating activities	274,776	392,543
Cash flows from investing activities - Capital expenditures	(377,864)	(38,697)
Cash flows from financing activities - Contributions designated for capital expenditures	532,501	21,427
Net increase in cash and cash equivalents	429,413	375,273
Cash and cash equivalents at beginning of year	1,703,299	1,328,026
Cash and cash equivalents at end of year	\$ 2,132,712	\$ 1,703,299
Noncash investing and financing activities:		
Property and equipment additions included in accounts payable and accrued expenses	\$ 137,074	\$ -

See accompanying notes to financial statements.

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 1: Summary of Significant Accounting Policies

Nature of Activities

Milwaukee County War Memorial, Inc. (the "War Memorial") is organized under the laws of the State of Wisconsin as a nonprofit, non-stock corporation. Through memorials and exhibits, the War Memorial honors the sacrifices made by veterans in defense of our freedom. The War Memorial is committed to honor the dead - serve the living through community events, educational programs, and supportive services provided to veterans and veteran service organizations.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP").

The War Memorial maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

Classification of Net Assets

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 War Memorial and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are neither temporarily nor permanently restricted by donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor imposed stipulations that may or will be met by actions of the War Memorial and/or the passage of time. Donor-restricted support is reported as an increase in temporarily restricted net assets.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the War Memorial. Generally, the donors of these assets permit the War Memorial to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at December 31, 2017 and 2016.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that directly affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The War Memorial considers all liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are generally amounts due for facility and office rentals that have been earned by the War Memorial but not received at December 31, 2017 and 2016. Payments of accounts receivable are allocated to the specific invoices identified on the client's remittance advice, or, if unspecified, are applied to the earliest unpaid invoices. Management individually reviews all past due accounts receivable balances and estimates the portion, if any, of the balance that will not be collected. At December 31, 2017 and 2016, balances are considered fully collectible, and accordingly, no allowance for uncollectible balances has been recorded.

Pledges Receivable

Unconditional pledges are reported at fair value at the date the promise is received. Conditional pledges and indications of intentions to give are reported at fair value at the date the gift is deemed unconditional. Pledges and other promises to give whose eventual uses are restricted by the donors are recorded as increases in temporarily or permanently restricted net assets. Unrestricted pledges to be collected in future periods are also recorded as an increase to temporarily restricted net assets and reclassified to unrestricted net assets when received.

Management individually reviews all past due pledge receivable balances and estimates the portion, if any, of the balance that will not be collected. At December 31, 2017 and 2016, balances are considered fully collectible, and accordingly, no allowance for uncollectible balances has been recorded.

Unconditional pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discount on those amounts was computed using a 3.00% rate at December 31, 2017 and 2016. The War Memorial uses a risk-adjusted discount rate commensurate with the risks involved based upon management's analysis of the expected cash flows from the pledges receivable. The amortization of the discount is recognized as contribution income over the duration of the pledge.

Property and Equipment

Property and equipment is stated at cost if purchased or fair value at date of gift if donated and capitalized. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted contributions. The War Memorial reports expirations of donor restrictions when the donated or acquired assets are placed in services. The War Memorial reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment (Continued)

Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets.

Deferred Revenue

Deferred revenue consists of funds received in advance for facility and office rentals. Revenue will be recognized in future periods as earned. Amounts expected to be earned within the next year are classified as current liabilities and those expected to be earned beyond one year are classified as long-term liabilities in the accompanying statements of financial position.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

In-Kind Contributions

The War Memorial has recorded in-kind contributions for services used in operations in the statements of activities in accordance with GAAP which requires only contributions of services received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. Total in-kind service contributions recognized in 2017 and 2016 were \$36,903 and \$11,815, respectively.

On December 18, 2017, the War Memorial recognized the transfer from the County of ownership of space occupied by the War Memorial within the War Memorial Center Facility. The War Memorial recognized the value of the property received as an in-kind contribution totaling \$11,400,000 (see Note 9).

Advertising

Advertising costs are expensed as incurred and totaled \$47,995 and \$37,090 for the years ended December 31, 2017 and 2016, respectively.

Sales Taxes

The War Memorial records sales taxes collected from customers on a net basis (excluded from revenues and expenses).

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 1: Summary of Significant Accounting Policies (Continued)

Income Taxes

The War Memorial is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The War Memorial is also exempt from state income taxes on related income.

The War Memorial has certain activities which are considered unrelated to their exempt purpose and, accordingly, are taxable in accordance with the Code. The War Memorial was not required to pay taxes on income related to these activities during the years ended December 31, 2017 and 2016.

The War Memorial recognizes the benefit of a tax position only after determining whether it is more likely than not that the taxing authority would sustain the tax position upon examination of the technical merits of the tax position assuming the taxing authority has full knowledge of all information. The War Memorial has recorded no assets or liabilities related to uncertain tax positions.

Subsequent Events

Subsequent events have been evaluated through April 4, 2018, which is the date the financial statements were available to be issued.

Note 2: Pledges Receivable

Pledges receivable consist of the following:

<i>As of December 31,</i>	2017	2016
Less than one year	\$ 115,782	\$ 21,000
One to five years	111,500	26,000
Gross pledges receivable	227,282	47,000
Less: Unamortized discount	(7,501)	(1,551)
Net pledges receivable	219,781	45,449
Less: Current portion	(115,782)	(21,000)
Pledges receivable, net of current portion	\$ 103,999	\$ 24,449

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 3: Property and Equipment

Property and equipment consist of the following:

<i>As of December 31,</i>	Useful Lives	2017	2016
Building	30 years	\$ 11,400,000	\$ -
Furniture and equipment	3 to 10 years	92,182	96,485
Construction in progress	N/A	485,385	-
Total property and equipment		11,977,567	96,485
Less: Accumulated depreciation		(78,547)	(87,236)
Property and equipment, net of accumulated depreciation		\$ 11,899,020	\$ 9,249

Construction in progress at December 31, 2017 consists of renovations to existing space within the War Memorial Center Facility (see Note 5) and deposits for furniture and equipment.

Note 4: Maintenance Agreement

The War Memorial has entered into a maintenance agreement for War Memorial Center Facility elevators requiring monthly fees of \$2,791, payable quarterly through May 2023. Monthly fees are subject to adjustment based upon the service provider's effective labor rates for its union employees. Required monthly maintenance fees are scheduled to be reduced by 45% pending planned renovations to the War Memorial Center Facility elevators. The agreement is subject to an early termination fee of 50% of the remaining scheduled fees.

Expenses under this agreement in 2017 and 2016 totaled \$33,283 and \$32,868, respectively.

Note 5: Commitments

The War Memorial's Board of Trustees has approved renovations to existing space within the War Memorial Center Facility for an estimated amount of \$1,532,000. Construction was completed in February 2018. Construction and other contractual commitments relating to this project totaled approximately \$1,014,000 at December 31, 2017.

Note 6: Sublease Agreements

The War Memorial has operating sublease agreements with various organizations to occupy space in the War Memorial Center Facility. The War Memorial also has operating lease agreements with outside parties that occupy areas on the facility grounds, which in normal course of activity would normally be non-rental property. These leases are generally renewable annually. In addition, the War Memorial makes its facilities available for public use for a rental fee. Facility and office rentals totaled \$451,547 and \$502,427, for the years ended December 31, 2017 and 2016, respectively.

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 7: Concentration of Credit Risk

The War Memorial maintains depository relationships with an area financial institution. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. The War Memorial has not experienced any losses with these accounts and management believes the War Memorial is not exposed to any significant risk on cash and cash equivalents.

Note 8: Temporarily Restricted Net Assets

Donor restrictions of temporarily restricted net assets are summarized as follows:

<i>As of December 31,</i>	2017	2016
Restricted as to use - War Memorial Center:		
Operation Renew Project Fund	\$ 1,091,290	\$ 392,688
Purple Heart Memorial Fund	4,574	4,474
Congressional Medal of Honor Fund	586	586
Memorial Day Parade Fund	1,950	1,000
9/11 Memorial Fund	4,332	4,332
Education Program	15,811	17,574
MIA/POW programs	5,543	2,236
Comprehensive Master Plan for Milwaukee's Lakeshore project	-	8,100
Vet Fest Fund	2,660	-
Other	570	570
Vietnam Veterans Memorial	14,285	13,953
Temporarily restricted net assets	\$ 1,141,601	\$ 445,513

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors as follows:

<i>Years Ended December 31,</i>	2017	2016
Operation Renew capital expenditures	\$ 9,925	\$ 41,441
Memorial Day Parade	1,700	2,000
Education Program	6,278	29,682
Vietnam Veterans Memorial	1,494	4,419
Comprehensive Master Plan for Milwaukee's Lakeshore project	8,100	66,900
Vet Fest	17,090	-
Other	-	13,044
Net assets released from restrictions	\$ 44,587	\$ 157,486

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 9: War Memorial Center Facility Agreements

Through December 17, 2017, the War Memorial had a lease agreement with the County for the spaces occupied in the County owned buildings located at the War Memorial Center Facility. The War Memorial was responsible for all operational functions of their occupied space and received \$486,000 in support annually from the County which will continue through 2023. There was no rent payable under the terms of the lease agreement.

Under the terms of the agreement, the County retained ownership of the War Memorial Center Facility and existing improvements. Ownership of any additional leasehold improvements located upon or within the premises was determined by mutual agreement of the County and the War Memorial at the time the War Memorial sought County approval for construction. All expenditures for repairs, maintenance, improvements and betterments that materially prolonged the useful lives of assets, which were not specifically identified by the County as to be owned by the War Memorial, were expensed as incurred.

In addition, there was a development agreement which addressed structural repairs and improvements to the War Memorial Center Facility. County appropriations for repairs and improvements to existing space previously owned by the County totaled \$0 and \$1,975,351 for the years ended December 31, 2017 and 2016, respectively.

On December 18, 2017, the War Memorial, the County, and the Milwaukee Art Museum, Inc. established Lakefront Cultural Center Condominium Association (the "Association"), with each party sharing an equal controlling interest. Under the terms of the Condominium Agreement, the County approved a transfer of ownership to the War Memorial of the portions of the War Memorial Center Facility occupied by the War Memorial at that time. The value of the property received by the War Memorial was appraised at \$11,400,000. The War Memorial is prohibited from conveying or mortgaging title to the transferred property without consent of the other members of the Association. Subject to annual approval, the County will continue to support the War Memorial at \$486,000 per year through 2023 and then at a diminishing level through 2033. Additionally, the County has agreed to reimburse the War Memorial \$125,000 for legal expenses incurred related to establishing the Condominium Agreement.

Note 10: Greenprint Milwaukee Shoreline Master Plan

The War Memorial, in cooperation with the County, applied for and received grants from the National Fish and Wildlife Foundation, the Fund for Lake Michigan, and the Milwaukee Metropolitan Sewerage District for current and future projects focusing on renovating parking lots while incorporating pedestrian friendly pathways, bioretention, porous pavement, and native plants to manage stormwater along Milwaukee's shoreline. The total project is budgeted at \$1,546,000 with the County responsible for overseeing construction and renovations. The County has also allocated \$580,000 of unspent 2017 appropriations for repairs to the War Memorial Center Facility parking lot. The War Memorial is responsible for reporting on project progress and outcomes and funding future plant replacement as needed at an estimated cost of \$5,200 annually. The project is expected to begin in 2018.

Milwaukee County War Memorial, Inc.

Notes to Financial Statements

Years Ended December 31, 2017 and 2016

Note 11: Retirement Plan

403(b) Plan

The War Memorial has a 403(b) plan covering all eligible employees. Contributions by the War Memorial to the plan are restricted to eligible employees with 2 or more years of service. Benefit plan expense under this plan for the years ended December 31, 2017 and 2016 was \$28,091 and \$23,132, respectively.

Pension Plan - Union Employees

The War Memorial's union employees are covered by a union sponsored, collectively bargained, multi-employer pension plan. The total pension expense under this plan for the years ended December 31, 2017 and 2016 was \$3,999 and \$4,338, respectively. Under the plan, the War Memorial pays contributions monthly to a separate pension fund based upon the number of hours worked by each eligible employee into a pension fund held by the union. These contributions are determined in accordance with the provisions of negotiated labor contracts. The pension fund is under the control of the union and the War Memorial is not responsible for any shortfall in plan assets.

Note 12: Functional Classification of Expenses

Expenses shown by their functional classification are as follows:

<i>Years Ended December 31,</i>	2017	2016
Program	\$ 1,026,337	\$ 1,231,100
General and administrative*	412,982	272,721
Fundraising	172,809	143,221
Total functional expenses	\$ 1,612,128	\$ 1,647,042

* 2017 General and administrative includes \$124,300 of legal expenses reimbursed through a contribution from the County.

Supplementary Information

Milwaukee County War Memorial, Inc.

Schedules of Activities - Operating Fund

Years Ended December 31, 2017 and 2016

	2017	2016
Operating revenue:		
Facility rental	\$ 265,173	\$ 306,948
Office rental	186,374	195,479
Parking fees	545,569	587,837
Catering and alcohol commissions	48,813	64,874
Miscellaneous	54,968	55,031
Total operating revenue	1,100,897	1,210,169
Operating contributions:		
Milwaukee County appropriations	611,000	486,000
Grants and donations	103,089	74,471
Gifts in-kind	11,436,903	11,815
Total operating contributions	12,150,992	572,286
Net assets released from restrictions	-	18,094
Total operating revenue and support	13,251,889	1,800,549
Operating expenses:		
Salaries and wages	597,953	596,019
Employee group benefits	153,873	135,904
Payroll taxes	53,484	61,406
Consulting	124,300	54,327
Fundraising supplies	34,024	22,366
Custodial and professional fees	91,445	83,754
Education program	2,887	-
Advertising	47,995	37,090
Administrative expenses	21,194	28,420
Postage	368	1,406
Printing and marketing	22,358	23,748
Bank charges	1,486	1,066
Bad debts	4,551	-
Telephone	5,787	6,877
Electricity	84,805	95,394
Gas	7,967	2,946
Steam	58,521	64,295
Water	10,501	8,431
Repairs and maintenance - Building	71,476	100,910
Repairs and maintenance - Ground	46,080	38,551
Depreciation	3,042	12,064
Auto allowance and meetings	5,240	6,999
Security	10,000	10,000
Insurance	21,544	18,816
Household supplies	9,588	11,094
Miscellaneous	52,495	59,856
Employee uniforms	1,462	254
Rubbish removal	8,064	7,343
Total operating expenses	1,552,490	1,489,336
Increase in operating funds	\$ 11,699,399	\$ 311,213

See independent auditor's report.