

The F.B. Heron Foundation

Financial Statements

December 31, 2013 and 2012

Independent Auditors' Report

**Board of Directors
The F.B. Heron Foundation**

Report on the Financial Statements

We have audited the accompanying financial statements of the F.B. Heron Foundation, which comprise the statements of financial position as of December 31, 2013 and 2012, 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 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.

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 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.

O'CONNOR DAVIES, LLP
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the F.B. Heron Foundation as of December 31, 2013 and 2012 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of program, administrative and investment expenses 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 on page 14 is fairly stated in all material respects in relation to the financial statements as a whole.

O'Connor Davies, LLP

May 12, 2014

The F.B. Heron Foundation

Statements of Financial Position

	December 31	
	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and cash equivalents	\$ 1,232,703	\$ 3,674,265
Investments allocated for mission	111,262,461	99,411,030
Other investments	178,243,924	156,889,214
Prepaid Federal excise taxes	-	67,525
Other assets	763,114	506,006
Property and equipment, net	<u>68,354</u>	<u>-</u>
	<u>\$ 291,570,556</u>	<u>\$ 260,548,040</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 421,807	\$ 375,583
Grants payable	251,000	1,852,925
Federal excise tax payable	72,475	-
Deferred rent	110,620	108,518
Deferred Federal excise tax	<u>794,536</u>	<u>354,565</u>
Total Liabilities	1,650,438	2,691,591
Unrestricted net assets	<u>289,920,118</u>	<u>257,856,449</u>
	<u>\$ 291,570,556</u>	<u>\$ 260,548,040</u>

See notes to financial statements

The F.B. Heron Foundation

Statements of Activities

	Year Ended	
	December 31	
	<u>2013</u>	<u>2012</u>
INVESTMENTS ALLOCATED FOR MISSION		
Revenue		
Interest, dividends and partnership earnings	\$ 1,629,914	\$ 2,466,568
Realized gain	271,537	324,220
Unrealized gain, net of deferred excise tax	9,040,765	3,411,493
Program service fees (USCII license fee)	92,500	46,250
Current Federal excise tax	<u>(23,000)</u>	<u>(35,000)</u>
Net Revenue for Investments Allocated for Mission	<u>11,011,716</u>	<u>6,213,531</u>
Expenses		
Program expenses	1,796,866	1,327,598
Administrative expenses	1,130,337	765,511
Investment expenses	<u>1,091,985</u>	<u>853,665</u>
Expenses for Investments Allocated for Mission	<u>4,019,188</u>	<u>2,946,774</u>
Excess of Revenue over Expenses for Investments Allocated for Mission, Before Grant Expense	6,992,528	3,266,757
Grants	<u>5,207,138</u>	<u>5,779,593</u>
Excess of Revenue over Expenses for Investments Allocated for Mission	<u>1,785,390</u>	<u>(2,512,836)</u>
OTHER INVESTMENTS		
Revenue		
Interest, dividends and partnership earnings	4,385,315	4,426,360
Realized gain	14,207,354	8,442,828
Unrealized gain, net of deferred excise tax	12,527,332	9,246,055
Current Federal excise tax	<u>(377,000)</u>	<u>(240,000)</u>
Net Other Investments Revenue	<u>30,743,001</u>	<u>21,875,243</u>
Expenses		
Investment expenses	<u>464,722</u>	<u>341,827</u>
Excess of Revenue over Expenses for Other Investments	<u>30,278,279</u>	<u>21,533,416</u>
Change in Net Assets	32,063,669	19,020,580
NET ASSETS		
Beginning of year	<u>257,856,449</u>	<u>238,835,869</u>
End of year	<u>\$ 289,920,118</u>	<u>\$ 257,856,449</u>

See notes to financial statements

The F.B. Heron Foundation

Statements of Cash Flows

	Year Ended	
	December 31	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 32,063,669	\$ 19,020,580
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	17,089	4,539
Realized and unrealized gain on investments	(36,486,959)	(21,731,619)
Deferred Federal excise tax provision	439,971	307,023
Writedown of PRI investment	294,175	-
Amortization of deferred rent	2,102	2,102
Net change in operating assets and liabilities		
Prepaid Federal excise taxes	67,525	(30,000)
Other assets	(257,108)	(10,304)
Accounts payable and accrued expenses	46,224	208,259
Federal excise tax payable	72,475	-
Grants payable	<u>(1,601,925)</u>	<u>512,925</u>
Net Cash from Operating Activities	<u>(5,342,762)</u>	<u>(1,716,495)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of other investments	(29,220,483)	(18,653,475)
Proceeds from other investments sold	34,855,923	23,155,088
Purchases of investments allocated for mission	(14,208,515)	(16,639,589)
Proceeds from investments allocated for mission sold or repaid	11,559,717	14,791,681
Purchases of property and equipment	<u>(85,442)</u>	<u>-</u>
Net Cash from Investing Activities	<u>2,901,200</u>	<u>2,653,705</u>
Net Change in Cash and Cash Equivalents	(2,441,562)	937,210
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>3,674,265</u>	<u>2,737,055</u>
End of year	<u>\$ 1,232,703</u>	<u>\$ 3,674,265</u>
SUPPLEMENTAL DISCLOSURE		
Federal excise tax paid	\$ 260,000	\$ 30,000
Interest paid	\$ -	\$ 1,792

See notes to financial statements

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

1. Organization

The F.B. Heron Foundation (the "Foundation") is a not-for-profit, charitable corporation formed in December 1991 under the General Corporation Law of the State of Delaware. The Foundation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and is classified as a private foundation under Section 509(a) of the Code.

To advance its mission of helping people and communities to help themselves, the foundation supports organizations that increase and maintain reliable employment, as well as those that advance systematic innovations to help communities be resilient to the changing nature of work. The Foundation makes grants and invests to support an enterprise's growth, or a change of business model that improves, preserves, or sustains the ability to increase employment and livelihood for people in the community.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash Equivalents

Cash equivalents include short-term investments with maturities of three months or less at the time of purchase, which are intended to be used for payment of expenses and grants and exclude those amounts used by investment managers for long-term investment strategies.

Fair Value Measurements

The Foundation follows Financial Accounting Standards Board (FASB) guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

2. Summary of Significant Accounting Policies (*continued*)

Investments Valuation

Investments (both investments allocated for mission and other investments), with the exception of program related investments, are stated at fair value. The fair value of limited partnerships has been estimated using the Net Asset Value (“NAV”) as reported by the management of the respective partnerships. FASB guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of limited partnerships. NAV reported by each partnership is used as a practical expedient to estimate the fair value of the Foundation’s interest therein and their classification within Level 2 or 3 is based on the Foundation’s ability to redeem its interest in the near term. For insured deposits, fair value is the amount of the deposit.

Programmatic Related Investments

Programmatic investments consist of program related investments (PRIs). PRIs, defined in IRC 4944(c), have a primary purpose of advancing the mission of the Foundation without a significant purpose of the production of income or the appreciation of property. PRIs are treated as charitable distributions on Internal Revenue Service form 990-PF, the tax and information return filed by private foundations for minimum-distribution requirement purposes. The Foundation’s PRIs are considered below market rate loans and equities. They are stated at cost, less any valuation allowance for discount or uncollectable amounts.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful life of the assets. The estimated useful lives range from five to seven years. Leasehold improvements are amortized over the remaining term of the lease.

Net Asset Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Foundation’s net assets are classified as permanently restricted, temporarily restricted or unrestricted.

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Realized and unrealized gains and losses are included in the determination of the change in net assets.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

2. Summary of Significant Accounting Policies (*continued*)

Grants

Grants are recognized when approved by the Board of Directors and/or President, unless conditions imposed on the grantee have not been fulfilled. Such conditional grants are recognized when the conditions have been satisfied. All multiyear grants are subject to review and approval of program and financial reports, a work plan, and a budget for the ensuing period of the grant.

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Foundation had no uncertain tax positions that would require financial statement disclosure. The Foundation is no longer subject to audits by the applicable taxing jurisdictions for periods prior to 2010.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which is May 12, 2014.

3. Investments Allocated for Mission

Investments allocated for mission advance the mission of the Foundation using the core program strategies articulated in Note 1. These include both risk-adjusted, market-rate investments that advance the mission as well as program related investments (PRIs).

The Foundation's PRI loans bear interest at below-market rates from 1% to 5%, generally payable on March 31 and September 30 of each year. PRI loans are individually monitored to determine net realizable value based on an evaluation of recovery. Management has reviewed the collectability of all PRI loans and deemed an allowance to be unnecessary. PRI equities consist of seven PRIs in limited partnership interests in community development ventures and real estate funds, one PRI in preferred stock in a regulated community bank and one direct equity investment.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

3. Investments Allocated for Mission *(continued)*

The following are the classes and major categories of investments allocated for mission at December 31 grouped by the fair value hierarchy for those investments measured at fair value on a recurring basis:

	2013			Total
	(Level 1)	(Level 2)	(Level 3)	
At fair value				
Insured deposits in low income designated				
Credit unions and community development banks	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Common and preferred stock				
Information technology	3,020,595	-	-	3,020,595
Health care	2,574,934	-	-	2,574,934
Industrial	2,442,492	-	-	2,442,492
Other	8,665,643	-	1,000,000	9,665,643
Community investing commingled fund	-	21,224,041	-	21,224,041
Fixed-income securities				
US agency	-	18,245,684	-	18,245,684
Municipals	-	19,885,078	-	19,885,078
Corporate	-	1,239,696	-	1,239,696
Limited partnership interests	-	-	10,472,465	10,472,465
Total at fair value	<u>\$ 18,203,664</u>	<u>\$ 60,594,499</u>	<u>\$ 11,472,465</u>	90,270,628
Program related investments, at cost, net of \$500,000 valuation reserve				17,528,930
Invested cash and cash equivalents, at cost				<u>3,462,903</u>
Total investments allocated for mission				<u>\$ 111,262,461</u>

	2012			Total
	(Level 1)	(Level 2)	(Level 3)	
At fair value				
Insured deposits in low income designated				
Credit unions and community development banks	\$ 2,850,000	\$ -	\$ -	\$ 2,850,000
Common and preferred stock				
Information technology	2,141,622	-	-	2,141,622
Health care	1,860,152	-	-	1,860,152
Industrial	1,664,347	-	-	1,664,347
Other	6,719,354	-	1,000,000	7,719,354
Community investing commingled fund	-	15,821,666	-	15,821,666
Fixed-income securities				
US agency	-	20,953,343	-	20,953,343
Municipals	-	20,377,118	-	20,377,118
Corporate	-	1,515,584	-	1,515,584
Limited partnership interests	-	-	9,517,196	9,517,196
Total at fair value	<u>\$ 15,235,475</u>	<u>\$ 58,667,711</u>	<u>\$ 10,517,196</u>	84,420,382
Program related investments, at cost, net of \$500,000 valuation reserve				13,833,470
Invested cash and cash equivalents, at cost				<u>1,157,178</u>
Total investments allocated for mission				<u>\$ 99,411,030</u>

The F.B. Heron Foundation

Notes to Financial Statements December 31, 2013 and 2012

3. Investments Allocated for Mission (*continued*)

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value using significant unobservable inputs (Level 3):

	2013			2012		
	Preferred Stock	Limited Partnership Interests	Total	Preferred Stock	Limited Partnership Interests	Total
Beginning balance	\$ 1,000,000	\$ 9,517,196	\$ 10,517,196	\$ -	\$ 8,103,403	\$ 8,103,403
Realized gains (losses)	-	131,706	131,706	-	(1,751,833)	(1,751,833)
Unrealized gains	-	2,473,205	2,473,205	-	1,970,016	1,970,016
Redemptions	-	(1,677,233)	(1,677,233)	-	(751,989)	(751,989)
Distributions of stock, a level 1 input	-	(195,624)	(195,624)	-	(128,174)	(128,174)
Purchases, issuances and settlements	-	223,215	223,215	1,000,000	2,075,773	3,075,773
Ending balance	<u>\$ 1,000,000</u>	<u>\$ 10,472,465</u>	<u>\$ 11,472,465</u>	<u>\$ 1,000,000</u>	<u>\$ 9,517,196</u>	<u>\$ 10,517,196</u>

Information regarding Level 3 investments at December 31, 2013 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnership Interests	\$ 10,472,465	\$ 5,598,683	*	*
Preferred Stock	<u>1,000,000</u>	-	*	*
Total	<u>\$ 11,472,465</u>	<u>\$ 5,598,683</u>		

* Both the preferred stock and limited partnership interests are illiquid assets.

The following summarizes changes in PRIs for 2013 and 2012:

	2013			2012		
	PRI Loans	PRI Equities	Total	PRI Loans	PRI Equities	Total
Balance at beginning of year	\$ 11,288,591	\$ 2,544,879	\$ 13,833,470	\$ 12,148,825	\$ 2,762,696	\$ 14,911,521
Additions:						
Disbursements	5,052,069	500,000	5,552,069	2,049,999	-	2,049,999
Deductions						
Repayments	(1,515,973)	(46,461)	(1,562,434)	(2,910,233)	(67,817)	(2,978,050)
Writeoffs	-	(294,175)	(294,175)	-	-	-
	<u>14,824,687</u>	<u>2,704,243</u>	<u>17,528,930</u>	<u>11,288,591</u>	<u>2,694,879</u>	<u>13,983,470</u>
Valuation adjustment	-	-	-	-	(150,000)	(150,000)
Balance at end of year	<u>\$ 14,824,687</u>	<u>\$ 2,704,243</u>	<u>\$ 17,528,930</u>	<u>\$ 11,288,591</u>	<u>\$ 2,544,879</u>	<u>\$ 13,833,470</u>

PRI equity balances are net of a \$500,000 valuation reserve at December 31, 2013 and 2012.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

3. Investments Allocated for Mission *(continued)*

PRI loan principal repayments at December 31, 2013 are projected as follows:

2014	\$ 6,051,087
2015	1,899,422
2016	3,838,678
2017	2,066,328
2018	850,605
Thereafter	<u>118,567</u>
	<u><u>\$ 14,824,687</u></u>

PRI equity investments will be redeemed over the next two to seven years depending on investment performance and activity.

4. Other Investments

The following are the classes and major categories of other investments at December 31 grouped by the fair value hierarchy for those investments measured at fair value on a recurring basis:

	2013	2012
At fair value		
Fixed-income funds		
Long-term government/Credit bond	\$ -	\$ 9,111,763
Intermediate credit term bond fund	24,389,114	15,609,381
Equity funds		
US large cap	59,890,681	55,862,541
US mid/small cap	18,719,734	13,549,433
Non-US developed markets	55,953,759	47,909,213
Non-US emerging markets	<u>19,290,530</u>	<u>14,846,777</u>
Total at fair value	178,243,818	156,889,108
Invested cash and cash equivalents, at cost	<u>106</u>	<u>106</u>
Total other investments	<u><u>\$ 178,243,924</u></u>	<u><u>\$ 156,889,214</u></u>

All other investments measured at fair value were valued using level 2 inputs.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

5. Assets Stated at Fair Value

The following summarizes all assets stated at fair value at December 31:

	2013			Total
	(Level 1)	(Level 2)	(Level 3)	
Investments allocated for mission	\$ 18,203,664	\$ 60,594,499	\$ 11,472,465	\$ 90,270,628
Other investments	-	178,243,818	-	178,243,818
	<u>\$ 18,203,664</u>	<u>\$ 238,838,317</u>	<u>\$ 11,472,465</u>	<u>\$ 268,514,446</u>
	2012			
	(Level 1)	(Level 2)	(Level 3)	Total
Investments allocated for mission	\$ 15,235,475	\$ 58,667,711	\$ 10,517,196	\$ 84,420,382
Other investments	-	156,889,108	-	156,889,108
	<u>\$ 15,235,475</u>	<u>\$ 215,556,819</u>	<u>\$ 10,517,196</u>	<u>\$ 241,309,490</u>

6. Property and Equipment

Property and equipment consisted of the following at December 31:

	2013	2012
Leasehold improvements	\$ 446,255	\$ 446,255
Furniture	120,581	120,581
Equipment and website development	124,485	39,043
	691,321	605,879
Accumulated depreciation and amortization	(622,967)	(605,879)
	<u>\$ 68,354</u>	<u>\$ -</u>

7. Grants Payable

The following summarizes changes in grants payable for the years ended December 31:

	2013	2012
Balance at beginning of year	\$ 1,852,925	\$ 1,340,000
Grants authorized	5,207,138	5,779,593
Grants refunded	-	122
Grants paid	(6,809,063)	(5,266,790)
Balance at end of year	<u>\$ 251,000</u>	<u>\$ 1,852,925</u>

There are an additional \$2,000,000 of conditional grant payments at December 31, 2013 which will become payable once the appropriate conditions have been met.

The F.B. Heron Foundation

Notes to Financial Statements
December 31, 2013 and 2012

8. Federal Excise Tax

As a private foundation, the Foundation is normally subject to a Federal excise tax equal to 2% of its net investment income. However, under Section 4940(e) of the Code, this tax is reduced to 1% if certain conditions are met. Current taxes are estimated at 2% of net investment income, as defined in the Code.

The Foundation records deferred excise taxes using the 2% rate. For 2013 and 2012 deferred excise tax expense amounted to \$794,536 and \$354,565.

For Federal excise tax purposes, realized gains and losses from the sale of securities are determined on the specific-identification basis. For funds net realized gain or loss is based on the Foundation's allocated share using average cost.

9. Lease Commitment

The Foundation's office lease expires on December 31, 2020. The Foundation has the right to cancel this lease effective December 31, 2015 upon 1 years notice and the payment of \$345,147. Future minimum rental payments under this agreement are as follows:

2014	\$ 310,837
2015	310,837
2016	335,904
2017	335,904
2018	335,904
2019-2020	<u>671,810</u>
	<u>\$ 2,301,196</u>

Rent expense for 2013 and 2012 was \$252,005 and \$192,512.

10. Retirement Plans

The Foundation sponsors a defined contribution retirement plan under IRC Section 401(a). The Foundation is obligated to contribute 12% of the basic compensation for all eligible employees subject to IRS and ERISA limitations. The Foundation also sponsors a 401(k) savings plan. Eligible participants, as defined, may make voluntary contributions into the savings plan. The Foundation is obligated to match 50% of participant contributions, not to exceed 3% of base compensation. For 2013 and 2012, retirement and savings plan expense was \$228,437 and \$156,071.

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The F.B. Heron Foundation

Supplemental Information

Years Ended December 31, 2013 and 2012

The F.B. Heron Foundation

Schedule of Program, Administrative and Investment Expenses Years Ended December 31

	2013					2012				
	Investments Allocated for Mission			Other Investments	Total	Investments Allocated for Mission			Other Investments	Total
	Program	Administrative	Investment	Investment		Program	Administrative	Investment	Investment	
Salary and related costs	\$1,128,897	\$ 716,777	\$ 598,066	\$ 47,385	\$ 2,491,125	\$ 820,886	\$ 446,341	\$ 330,138	\$ 20,883	\$ 1,618,248
Consulting fees	292,023	214,770	42,112	76,361	625,266	261,656	180,283	62,548	1,681	506,168
Equipment rental and repair	16,898	21,141	8,952	709	47,700	14,149	7,696	5,692	360	27,897
Office expenses	24,551	18,265	13,007	1,031	56,854	27,358	14,905	11,006	696	53,965
Occupancy	118,354	75,147	62,702	4,968	261,171	105,657	57,467	42,506	2,689	208,319
Travel, meetings, and conferences	148,136	26,167	21,833	1,730	197,866	53,050	27,952	20,675	1,308	102,985
Telephone	11,107	7,053	5,885	466	24,511	8,306	4,517	3,341	211	16,375
Legal fees	13,809	31,598	7,314	580	53,301	612	334	25,670	16	26,632
Audit expenses	14,694	9,330	7,784	617	32,425	20,250	11,014	8,146	515	39,925
Interest expense and bank fees	-	183	-	-	183	-	6,477	-	-	6,477
Insurance	7,858	4,989	4,163	330	17,340	13,372	7,273	5,379	340	26,364
Depreciation and amortization	7,744	4,917	4,103	325	17,089	2,302	1,252	926	59	4,539
Custody fees	-	-	16,963	-	16,963	-	-	25,927	-	25,927
Investment, management and advisory	12,795	-	299,101	330,220	642,116	-	-	311,711	313,069	624,780
	<u>\$1,796,866</u>	<u>\$ 1,130,337</u>	<u>\$ 1,091,985</u>	<u>\$ 464,722</u>	<u>\$ 4,483,910</u>	<u>\$ 1,327,598</u>	<u>\$ 765,511</u>	<u>\$ 853,665</u>	<u>\$ 341,827</u>	<u>\$ 3,288,601</u>

See independent auditors' report