THE MOUNTAINEERS

Consolidated Financial Statements

For the Year Ended September 30, 2018

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Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
The Mountaineers
Seattle, Washington

We have audited the accompanying consolidated financial statements of The Mountaineers and Braided River (collectively, the Organization), which comprise the consolidated statement of financial position as of September 30, 2018, and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 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.

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2018, and the changes in net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2017 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated February 8, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2017, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules of financial position and activities and changes in net assets presented on pages 13 through 16 and the consolidated schedule of functional expenses, presented on page 17, are for purposes of additional analysis and are not a required part of the basic 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 consolidated financial statements as a whole.

Clark Nuber P.S.

Certified Public Accountants
April 5, 2019

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Consolidated Statement of Financial Position
September 30, 2018
(With Comparative Totals at September 30, 2017)

	2018	2017
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,637,675	$ 1,376,896
Accounts receivable, less allowance for doubtful accounts and returns of $75,099 ($60,635 - 2017)	676,778	670,669
Pledges receivable	8,550	39,009
Current portion of note receivable (Note 3)	463,538	323,446
Current portion of author advances, less allowance for doubtful advances of $168,089 ($176,770 - 2017)	100,437	97,704
Book inventories	3,044,557	2,941,776
Prepaid and other current assets	228,012	208,025
Total Current Assets	**6,159,547**	**5,657,525**
Long-term investments (Note 2)	2,869,168	2,608,446
Note receivable, net of current portion (Note 3)		493,983
Author advances, less allowance for doubtful advances of $72,038 ($75,758 - 2017)	295,431	303,389
Property and equipment, net (Note 4)	5,003,352	5,040,023
Total Assets	**$ 14,327,498**	**$ 14,103,366**
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	$ 421,548	$ 552,479
Accrued liabilities	252,438	275,209
Royalties payable	94,155	89,050
Deferred revenue	157,066	175,349
Total Current Liabilities	**925,207**	**1,092,087**
Contingent contribution (Note 10)	600,000	
Total Liabilities	**1,525,207**	**1,092,087**
Net Assets:		
Unrestricted net assets (Note 7)	12,472,905	12,534,201
Temporarily restricted net assets (Note 8)	329,386	477,078
Total Net Assets	**12,802,291**	**13,011,279**
Total Liabilities and Net Assets	**$ 14,327,498**	**$ 14,103,366**

See accompanying notes.

THE MOUNTAINEERS

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended September 30, 2018
(With Comparative Totals for the Year Ended September 30, 2017)

	Unrestricted	Temporarily Restricted	2018 Total	2017 Total
Operating Revenue and Support:				
Book sales	$ 3,666,068	$ -	$ 3,666,068	$ 3,634,513
Course fees	1,359,115		1,359,115	1,221,634
Membership dues and fees	669,358		669,358	572,586
Lodge sales	225,289		225,289	206,981
Room rentals	204,362		204,362	183,676
Other revenue	81,970		81,970	104,825
Ticket sales	278,635		278,635	217,132
Book royalties	40,795		40,795	57,843
Food and sundry sales	17,267		17,267	14,053
Grants and contributions	1,009,888	250,263	1,260,151	1,261,943
Special events, net of direct benefits to donors of $194,530 ($175,599 - 2017)	304,706		304,706	144,607
Net assets released from restriction	424,223	(424,223)		
Total Operating Revenues and Support	**8,281,676**	**(173,960)**	**8,107,716**	**7,619,793**
Operating Expenses:				
Program services	7,402,502		7,402,502	7,437,963
Management and general	733,899		733,899	696,960
Fundraising	526,548		526,548	432,297
Total Operating Expenses	**8,662,949**		**8,662,949**	**8,567,220**
Change in Net Assets From Operations	**(381,273)**	**(173,960)**	**(555,233)**	**(947,427)**
Nonoperating:				
Contributions restricted for the purchase of capital assets		26,268	26,268	9,250
Gain on sale of property	1,000		1,000	
Investment return	318,977		318,977	353,561
Total Nonoperating	**319,977**	**26,268**	**346,245**	**362,811**
Total Change in Net Assets	**(61,296)**	**(147,692)**	**(208,988)**	**(584,616)**
Net assets, beginning of year	12,534,201	477,078	13,011,279	13,595,895
Net Assets, End of Year	**$ 12,472,905**	**$ 329,386**	**$ 12,802,291**	**$ 13,011,279**

See accompanying notes.

THE MOUNTAINEERS

Consolidated Statement of Cash Flows
For the Year Ended September 30, 2018
(With Comparative Totals for the Year Ended September 30, 2017)

	2018	2017
Cash Flows From Operating Activities:		
Change in net assets	$ (208,988)	$ (584,616)
Adjustments to reconcile change in net assets to		
net cash used in operating activities-		
Depreciation and amortization	321,428	340,780
Gain on investments	(201,665)	(238,056)
Contributions restricted for the purchase of capital assets	(26,268)	(9,250)
Gain on sale of property	(1,000)	
Changes in assets and liabilities:		
Accounts receivable	(6,109)	(244,436)
Pledges receivable	30,459	86,491
Author advances	5,225	(20,127)
Book inventories	(102,781)	(111,156)
Prepaid and other current assets	(19,987)	(43,163)
Accounts payable	(130,931)	207,023
Accrued liabilities	(22,771)	9,831
Royalties payable	5,105	9,947
Deferred revenue	(18,283)	77,432
Net Cash Used in Operating Activities	**(376,566)**	**(519,300)**
Cash Flows From Investing Activities:		
Purchases of property and equipment	(284,757)	(155,660)
Purchases of investments	(59,057)	(51,576)
Proceeds from the sale of property and equipment	1,000	4,317
Proceeds from note receivable	353,891	222,571
Net Cash Provided by Investing Activities	**11,077**	**19,652**
Cash Flows From Financing Activities:		
Proceeds from contributions restricted		
for the purchase of capital assets	26,268	9,250
Proceeds from contingent contribution	600,000	
Net Cash Provided by Financing Activities	**626,268**	**9,250**
Change in Cash and Cash Equivalents	**260,779**	**(490,398)**
Cash and cash equivalents, beginning of year	1,376,896	1,867,294
Cash and Cash Equivalents, End of Year	**$ 1,637,675**	**$ 1,376,896**

See accompanying notes.

Note 1 - Organization and Significant Accounting Policies

Organization - The Mountaineers is a Washington State nonprofit corporation formed to enrich the community by helping people explore, conserve, learn about and enjoy the lands and waters of the Pacific Northwest and beyond. The Mountaineers offers program activities and publishes books consistent with its philosophies and mission.

Braided River is a Washington State nonprofit corporation formed to inspire support for critical conservation efforts through books, media campaigns, multimedia presentations and museum exhibits. The Mountaineers has consolidated the statements of financial position and activities of Braided River due to its economic interest in and control of Braided River.

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of the Mountaineers and Braided River (collectively, the Organization). Inter-company transactions and balances have been eliminated in consolidation.

Basis of Presentation - Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

> Unrestricted Net Assets - Unrestricted net assets include all net assets on which there are no donor-imposed restrictions for use, or on which donor-imposed restrictions were temporary and have expired. This category of net assets also includes certain net assets designated by the Board of Directors and invested in property and equipment. The Board has the right to spend such net assets at any time.
>
> Temporarily Restricted Net Assets - Temporarily restricted net assets include all net assets received by donations under which the donors imposed some restriction on use. Such restrictions are time or purpose dependent and will expire when the Organization makes use of the net assets sometime in the future for the restricted purpose.
>
> Permanently Restricted Net Assets - Permanently restricted net assets include all net assets received by donations wherein donors imposed a permanent restriction on the use of the gift. The Organization has no permanently restricted net assets at September 30, 2018 and 2017.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets. Contributions with donor-imposed restrictions that are met in the same year as received are reported as revenues in the unrestricted net asset class.

Contributions that the donor requires to be used to acquire long-lived assets (e.g., building improvements, furniture, fixtures and equipment) are reported as temporarily restricted. When the long-lived assets are acquired, the Organization reflects the expiration of the donor-imposed restriction as a reclassification included in net assets released from restriction.

Cash Equivalents - Cash and cash equivalents represent checking, savings and money market accounts held at various regional financial institutions.

Note 1 - Continued

Pledges Receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-adjusted rates applicable to the years in which the promises are received. Amortization of the discounts is included in revenue and support. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to change in net assets and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are determined to be uncollectible are written off through a charge to the valuation allowance and a credit to pledges receivable. No allowance for uncollectible balances has been established by management based on the Organization's historical experience in the collection of balances due. Additionally, all pledges are due within one year.

Author Advances - Author advances are amounts that have been prepaid to authors for books that are in progress. Author advances are deducted from royalty payments over several years as related books are sold.

Allowance for Doubtful Accounts, Returns and Doubtful Advances - The Organization extends credit to a substantial number of its customers and authors. Accounts receivable are recorded at the invoice amount and do not bear interest. Allowances for doubtful accounts and doubtful advances are maintained for estimated losses resulting from the inability of its customers to pay or the lack of sufficient proceeds from the sale of authors' publications. The Organization determines the allowances based on review of past due balances, historical write-off experience and economic data. Uncollected accounts receivable balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Organization has established credit policies and has determined that historically the losses related to customer and author nonpayment have been low as a percentage of net sales. The allowance for returns is calculated based on typical patterns of returns incurred during the previous year applied to the ending accounts receivable balance.

Book Inventories - Inventories consist primarily of finished books and prepaid book production expenses and are stated at the lower of cost or market. Cost is determined using an average cost basis.

Investments - Investments with readily determinable market values are stated at fair value based on quoted market prices. Unrealized and realized gains and losses on these investments are reported in the consolidated statement of activities and changes in net assets.

Property and Equipment - Purchased land, buildings and equipment are recorded at cost, and those received by donations are capitalized at their estimated fair values on the date received. Property and equipment with an original cost of $5,000 or greater are capitalized. Depreciation is accounted for on a straight-line method based upon estimated useful lives of the assets ranging from 20 to 40 years for buildings and improvements, and 3 to 5 years for equipment, furniture and fixtures, and software.

Deferred Revenue - Receipts from events registrations and courses received in advance are deferred and recognized over the periods to which the revenue relates.

Contributions - Contributions, which include unconditional promises to give (pledges), are recognized as revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Note 1 - Continued

Donated Materials and Services - Donated materials are reflected as contributions in the accompanying financial statements at their estimated fair values at the date of receipt. Donated services are recognized as revenue and corresponding expense when (a) the services received create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. A number of volunteers provided valuable services throughout the years that were not recognized as contributions in the consolidated financial statements since the recognition criteria was not met.

Income From Operations - The consolidated statement of activities and changes in net assets includes a performance indicator that reports income from operations. Changes in net assets excluded from income from operations, consistent with industry practice, include, receipt of contributions restricted for the purchase of capital assets including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, gains on sale of property and investment return.

Concentration of Credit Risk - Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash balances, long-term investments, pledges receivable and contribution revenues. The Organization has cash and investments that are in excess of the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation insurance amounts.

For the year ended September 30, 2018, approximately 36% of total contributions were received from one donor. For the year ended September 30, 2017, approximately 46% of total contributions were received from one donor.

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Allocation of Functional Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Federal Income Taxes - The Internal Revenue Service has recognized The Mountaineers and Braided River as exempt from federal income taxes under provisions of Section 501(a) of the Internal Revenue Code as entities described in Section 501(c)(3) and not as private foundations.

Comparative Information for 2017 - The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended September 30, 2017, from which the summarized information was derived.

Subsequent Events - The Organization has evaluated subsequent events through April 5, 2019, the date on which the consolidated financial statements were available to be issued.

Note 2 - Investments and Fair Value Measurements

Investments consisted of the following as of September 30:

	2018	2017
Mutual funds-		
Short-term	$ 846,747	$ 844,652
Foreign large blend	330,973	325,717
Large blend	1,691,448	1,438,077
Total Investments	**$ 2,869,168**	**$ 2,608,446**

Investment return consisted of the following for the year ended September 30:

	2018	2017
Realized and unrealized gain on investments	$ 201,665	$ 238,056
Interest and dividend income	117,312	115,505
Total Investment Return	**$ 318,977**	**$ 353,561**

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, U.S. GAAP uses a fair value hierarchy that prioritizes the inputs to valuation approaches into three broad levels. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Valuation Techniques - Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

At September 30, 2018 and 2017, mutual funds were valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the Organization at year end. All mutual funds were valued using Level 1 inputs.

Note 3 - Note Receivable

During the year ended September 30, 2016, the Organization sold property in Snoqualmie Pass, Washington. In connection with the sale, the Organization recorded a note receivable of $1,040,000 which bears interest at a rate of 7%. The note called for interest only payments of $6,067 from May 2016 to February 2017. In March 2017, the Organization began receiving principal and interest payments of $33,325 per month. The note matures on April 1, 2019.

Note 4 - Property and Equipment

Property and equipment consisted of the following at September 30:

	2018	2017
Land	$ 5,014	$ 5,014
Buildings and improvements	6,305,652	6,153,363
Furniture, fixtures and equipment	1,787,338	1,747,430
Construction in progress	216,714	142,079
	8,314,718	8,047,886
Less accumulated depreciation	(3,311,366)	(3,007,863)
Total Property and Equipment, Net	**$ 5,003,352**	**$ 5,040,023**

Construction in progress primarily consists of the addition of a solar roof for the program center at September 30, 2018 and of a friction slab at September 30, 2017.

Note 5 - Leases

Operating Leases - The Organization leases a building for its headquarters under an agreement with the City of Seattle that is classified as an operating lease. In February 2008, the Organization began renovations on the building per the terms of the agreement. In return, the City of Seattle provides to the Organization an offset against the market value of the rental payments for improvements made to the building. This lease agreement terminates in February 2038.

The Organization also leases a facility for its books and other divisions and leases lodging facilities and equipment that are classified as operating leases with various expiration dates through 2035.

Rental expense incurred under the various operating lease arrangements above were $309,878 and $277,628 for the years ended September 30, 2018 and 2017, respectively.

Note 5 - Continued

Future minimum lease payments are as follows:

For the Year Ending September 30,

2019	$ 267,799
2020	266,423
2021	263,491
2022	247,091
2023	93,073
Thereafter	1,326,522
	$ 2,464,399

The Organization sublets portions of its headquarters facility on a month to month basis. Rental income under these arrangements totaled $32,850 and $31,896 for the years ended September 30, 2018 and 2017, respectively.

Note 6 - Contingencies

The Organization is subject to legal proceedings and claims that arise in the ordinary course of business and carries applicable insurance coverage. As of September 30, 2018 and 2017, management believes that resolution of such legal matters, will not have a material adverse effect on its financial condition, results from operations, or liquidity of the Organization.

Note 7 - Unrestricted Net Assets

Unrestricted net assets were available as follows at September 30:

	2018	2017
Board designated net assets-		
Long-term building fund	$ 2,869,168	$ 2,608,445
Recreational properties	472,075	406,383
Friction slabs		44,468
Total Board Designated Net Assets	**3,341,243**	**3,059,296**
Net assets invested in property and equipment	4,992,388	5,032,059
Snoqualmie property sale proceeds	1,399,328	1,356,162
Undesignated net assets	2,739,946	3,086,684
Total Unrestricted Net Assets	**$ 12,472,905**	**$ 12,534,201**

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted net assets were available as follows at September 30:

	2018	2017
Publications and films	$ 68,066	$ 207,262
Recreational properties	64,266	64,266
Capital projects	197,054	205,550
Total Temporarily Restricted Net Assets	**$ 329,386**	**$ 477,078**

Net assets of $424,223 and $898,988 were released for capital and program activities during the years ended September 30, 2018 and 2017, respectively.

Note 9 - Benefit Plan

The Organization sponsors a 401(k) retirement plan covering substantially all full-time and part-time employees upon completion of one year of service and working at least 1,000 hours during that period. Effective November 1, 2018 the service requirement was decreased from one year to three months and the hour requirement was reduced from 1,000 hours to 250 hours. Employees may elect to defer up to 75% of their eligible compensation subject to certain limitations established by the Internal Revenue Code. The Organization matches 50% of the employees' contributions not to exceed 3% of the employees' gross wages. The Organization contributions fully vest after five years of service. For the years ended September 30, 2018 and 2017, the Organization contributed $41,985 and $29,513, respectively.

Note 10 - Contingent Contribution

The Organization received a contingent contribution in the form of a recoverable loan during the year ended September 30, 2018 totaling $800,000. Proceeds from the loan are to be used solely for the purposes outlined in the loan agreement, which is to support the project of a documentary film undertaken by a third-party producer. As of September 30, 2018, $600,000 has been received and is included as a contingent contribution balance on the consolidated statement of financial position. The loan bears no interest and requires repayment of principal to the extent income is generated using the proceeds of the loan. Any remaining outstanding principal on the loan will be forgiven on September 30, 2023.

SUPPLEMENTARY INFORMATION

THE MOUNTAINEERS

Consolidating Schedule of Financial Position
September 30, 2018

	Mountaineers Programs	Mountaineers Books	Total Mountaineers	Braided River	Eliminations	Consolidated Total
Assets						
Current Assets:						
Cash and cash equivalents	$ 895,421	$ 127,222	$ 1,022,643	$ 615,032	$ -	$ 1,637,675
Accounts receivable, less allowance accounts and returns of $65,826	1,008,753	202,512	1,211,265		(534,487)	676,778
Pledges receivable	8,550		8,550			8,550
Current portion of note receivable	463,538		463,538			463,538
Current portion of author advances, less allowance for doubtful advances of $168,089		100,437	100,437			100,437
Book inventories	64,384	2,980,173	3,044,557			3,044,557
Prepaid and other current assets	163,537	64,475	228,012			228,012
Total Current Assets	**2,604,183**	**3,474,819**	**6,079,002**	**615,032**	**(534,487)**	**6,159,547**
Long-term investments	2,869,168		2,869,168			2,869,168
Author advances, less allowance for doubtful advances of $72,038		295,431	295,431			295,431
Property and equipment, net	4,956,938	46,414	5,003,352			5,003,352
Total Assets	**$ 10,430,289**	**$ 3,816,664**	**$ 14,246,953**	**$ 615,032**	**$ (534,487)**	**$ 14,327,498**

See independent auditor's report.

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Consolidating Schedule of Financial Position (Continued)
September 30, 2018

	Mountaineers Programs	Mountaineers Books	Total Mountaineers	Braided River	Eliminations	Consolidated Total
Liabilities and Net Assets						
Current Liabilities:						
Accounts payable	$ 80,040	$ 875,995	$ 956,035	$ -	$ (534,487)	$ 421,548
Accrued liabilities	174,826	77,612	252,438			252,438
Royalties payable		94,155	94,155			94,155
Deferred revenue	157,066		157,066			157,066
Total Current Liabilities	**411,932**	**1,047,762**	**1,459,694**		**(534,487)**	**925,207**
Forgivable loan				600,000		600,000
Total Liabilities	**411,932**	**1,047,762**	**1,459,694**	**600,000**	**(534,487)**	**1,525,207**
Net Assets:						
Unrestricted net assets	9,757,037	2,722,873	12,479,910	(7,005)		12,472,905
Temporarily restricted net assets	261,320	46,029	307,349	22,037		329,386
Total Net Assets	**10,018,357**	**2,768,902**	**12,787,259**	**15,032**		**12,802,291**
Total Liabilities and Net Assets	**$ 10,430,289**	**$ 3,816,664**	**$ 14,246,953**	**$ 615,032**	**$ (534,487)**	**$ 14,327,498**

See independent auditor's report.

THE MOUNTAINEERS

Consolidating Schedule of Activities and Changes in Net Assets
For the Year Ended September 30, 2018

	Mountaineers Programs	Mountaineers Books	Total Mountaineers	Braided River	Eliminations	Consolidated Total
Operating Revenue and Support:						
Book sales	$ 61,766	$ 3,642,445	$ 3,704,211	$ -	$ (38,143)	$ 3,666,068
Course fees	1,359,115		1,359,115			1,359,115
Membership dues and fees	669,358		669,358			669,358
Lodge sales	225,289		225,289			225,289
Room rentals	204,362		204,362			204,362
Other revenue	81,970		81,970			81,970
Ticket sales	278,635		278,635			278,635
Book royalties		40,795	40,795			40,795
Food and sundry sales	17,267		17,267			17,267
Grants and contributions	1,115,558	51,845	1,167,403	92,748		1,260,151
Grants from Braided River		165,408	165,408		(165,408)	
Special events, net of direct benefits to donors of $194,530	304,706		304,706			304,706
Total Operating Revenues and Support	**4,318,026**	**3,900,493**	**8,218,519**	**92,748**	**(203,551)**	**8,107,716**
Operating Expenses:						
Program services	3,477,410	3,902,058	7,379,468	226,585	(203,551)	7,402,502
Management and general	560,849	149,621	710,470	23,429		733,899
Fundraising	485,768	40,780	526,548			526,548
Total Operating Expenses	**4,524,027**	**4,092,459**	**8,616,486**	**250,014**	**(203,551)**	**8,662,949**

See independent auditor's report.

THE MOUNTAINEERS

Consolidating Schedule of Activities and Changes in Net Assets (Continued)
For the Year Ended September 30, 2018

	Mountaineers Programs	Mountaineers Books	Total Mountaineers	Braided River	Eliminations	Consolidated Total
Change in Net Assets From Operations	**(206,001)**	**(191,966)**	**(397,967)**	**(157,266)**		**(555,233)**
Nonoperating:						
Contributions restricted for the purchase of capital assets	26,268		26,268			26,268
Gain on disposal of property and equipment	1,000		1,000			1,000
Investment return	318,977		318,977			318,977
Total Nonoperating	**346,245**		**346,245**			**346,245**
Total Change in Net Assets	**140,244**	**(191,966)**	**(51,722)**	**(157,266)**		**(208,988)**
Net assets, beginning of year	9,878,113	2,960,868	12,838,981	172,298		13,011,279
Net Assets, End of Year	**$ 10,018,357**	**$ 2,768,902**	**$ 12,787,259**	**$ 15,032**	**$ -**	**$ 12,802,291**

See independent auditor's report.

THE MOUNTAINEERS

Consolidated Schedule of Functional Expenses
For the Year Ended September 30, 2018
(With Comparative Totals for the Year Ended September 30, 2017)

		Supporting Services				
	Programs Services	Management and General	Fundraising	Total	2018 Total Total Expenses	2017 Total Total Expenses
Salaries and wages	$ 1,871,175	$ 333,906	$ 345,585	$ 679,491	$ 2,550,666	$ 2,214,425
Employee benefits and taxes	359,875	68,170	43,415	111,585	471,460	419,972
Total salaries, benefits and taxes	2,231,050	402,076	389,000	791,076	3,022,126	2,634,397
Cost of books sold	2,418,700				2,418,700	2,266,534
Professional fees	504,063	124,050	53,487	177,537	681,600	611,801
Fieldwork	11,710	9,800		9,800	21,510	543,393
Occupancy	421,994	2,988	3,715	6,703	428,697	493,006
Depreciation	221,685	99,631	112	99,743	321,428	340,780
Advertising and promotion	235,890	9,316	3,002	12,318	248,208	236,419
Miscellaneous	157,782	15,128	375	15,503	173,285	226,746
Recognition and development	187,596	1,864	11,936	13,800	201,396	195,925
Office expenses	106,992	26,611	26,143	52,754	159,746	182,754
Travel	237,585	5,182	3,407	8,589	246,174	174,784
Program supplies	221,479	214	410	624	222,103	164,850
Postage	169,536	78		78	169,614	139,585
Information technology	93,678	8,519	15,469	23,988	117,666	123,013
Insurance	83,861	26,057		26,057	109,918	105,226
Printing	71,501	558	16,701	17,259	88,760	99,965
Conferences, conventions and meetings	27,400	1,827	2,791	4,618	32,018	28,042
Total Operating Expenses	**$ 7,402,502**	**$ 733,899**	**$ 526,548**	**$ 1,260,447**	**$ 8,662,949**	**$ 8,567,220**

See independent auditor's report.