

**DRAFT**  
DISCUSSION PURPOSES ONLY

***NEVADA INSTITUTE FOR AUTONOMOUS SYSTEMS  
FINANCIAL STATEMENTS  
DECEMBER 31, 2016***



**HILBURN & LEIN, CPAs**  
A PROFESSIONAL CORPORATION

NEVADA INSTITUTE FOR AUTONOMOUS SYSTEMS

DECEMBER 31, 2016

TABLE OF CONTENTS

	<u>PAGE NO.</u>
ACCOUNTANTS' COMPILATION REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Changes in Net Assets	4



**HILBURN & LEIN, CPAs**  
A PROFESSIONAL CORPORATION

**Gary W. Lein, CPA**  
Shareholder

**Greg M. Sinacori, CPA**  
Shareholder

**Philip C. Bateman, CPA**  
Shareholder

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## **ACCOUNTANTS' COMPILATION REPORT**

To the Board of Directors and Members of  
Nevada Institute for Autonomous Systems  
Las Vegas, Nevada

We have compiled the accompanying statement of financial position of Nevada Institute for Autonomous Systems as of December 31, 2016, and the related statement of activities and changes in net assets for the one month and twelve month period then ended. We have not audited or reviewed the accompanying statements of financial position and activities and changes in net assets and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all disclosures and the statements of cash flows ordinarily included in financial statements prepared in accordance with generally accepted accounting principles. If the omitted disclosures and statements were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, equity, revenues, expenses, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Organization is a non-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. All income except unrelated business activity revenue will be exempt from taxation.

February 2, 2017

**NEVADA INSTITUTE FOR AUTONOMOUS SYSTEMS  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2016**

**(See Accountants' Compilation Report)**

ASSETS

CURRENT ASSETS	
Cash - Operating	\$ 492,759
Cash - NCAM	9,536
Accounts Receivable	82,621
Prepaid Insurance	14,386
Prepaid Expense	21,851
Personal Property, Net of Accumulated Depreciation of \$1,912	29,108
	<u>650,261</u>
 TOTAL ASSETS	 \$ <u><u>650,261</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	\$ 92,375
Accounts Payable - NCAM	6,000
Credit Card Payable	16,272
	<u>114,647</u>
 TOTAL LIABILITIES	 <u>114,647</u>
NET ASSETS:	
Unrestricted	535,614
Temporarily Restricted	-
Permanently Restricted	-
	<u>535,614</u>
 TOTAL NET ASSETS	 <u>535,614</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u><u>650,261</u></u>

**NEVADA INSTITUTE FOR AUTONOMOUS SYSTEMS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE ONE AND TWELVE MONTH PERIOD ENDED DECEMBER 31, 2016**

(See Accountants' Compilation Report)

	ONE MONTH ENDED DECEMBER 31, 2016 <u>OPERATING</u>	ONE MONTH ENDED DECEMBER 31, 2016 <u>NCAM</u>	ONE MONTH ENDED DECEMBER 31, 2016 <u>COMBINED</u>	2016 COMBINED YEAR-TO-DATE
<b><u>UNRESTRICTED:</u></b>				
<b>REVENUES</b>				
Range Activity/Service Fees	\$ 10,792	\$ -	\$ 10,792	\$ 53,727
NASA Contract - IDIQ	-	-	-	459,245
NASA Contract - CRADA	59,306	-	59,306	151,805
NODES	12,603	-	12,603	12,603
FAA Income	-	-	-	11,924
Grant Income - NCAM	-	34,421	34,421	34,421
Grant Income - GOED	-	-	-	600,000
	<u>82,701</u>	<u>34,421</u>	<u>117,122</u>	<u>1,323,725</u>
 COST OF REVENUES EARNED	 <u>73,337</u>	 <u>5,000</u>	 <u>78,337</u>	 <u>724,988</u>
 GROSS PROFIT	 <u>9,364</u>	 <u>29,421</u>	 <u>38,785</u>	 <u>598,737</u>
 <b>EXPENSES</b>				
Customer Development	239	-	239	456
Accounting Fees	475	-	475	7,575
Legal Fees	5,000	-	5,000	60,200
Marketing and Advertising	1,649	-	1,649	66,408
BVLOS Working Group	680	-	680	2,254
Depreciation Expense	-	-	-	1,530
Operations	5,390	-	5,390	75,119
Labor and Burden	25,204	-	25,204	291,295
Travel	3,050	-	3,050	56,315
PMO Services	-	-	-	1,357
	<u>41,687</u>	<u>-</u>	<u>41,687</u>	<u>562,509</u>
 CHANGE IN UNRESTRICTED ASSETS	 <u>\$ (32,323)</u>	 <u>\$ 29,421</u>	 <u>\$ (2,902)</u>	 <u>\$ 36,228</u>

NEVADA INSTITUTE FOR AUTONOMOUS SYSTEMS  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2016

(See Accountants' Compilation Report)

	COMBINED YEAR-TO-DATE
Net Assets at Beginning of Period:	
Unrestricted	\$ 499,386
Temporarily Restricted	-
	499,386
 Increase in Net Assets:	
Unrestricted	36,228
Temporarily Restricted	-
	36,228
 NET ASSETS AT END OF PERIOD:	
UNRESTRICTED	535,614
TEMPORARILY RESTRICTED	-
	\$ 535,614