

PENLAND SCHOOL OF CRAFTS

OPERATING FINANCIAL INFORMATION

Operating Income

	Fiscal Year 2017	Fiscal Year 2016
Contributions, grants, and funds release from restriction*	2,2573,765	2,208,853
Auctions and special events	664,700	713,320
Tuition, room, board, and fees	2,386,610	2,317,335
Sales**	722,054	521,138
Investment return	6,476	15,264
Change in beneficial interest in trust***	131,964	131,964
Other income	99,320	138,089
Total operating income	6,584,889	6,045,963

Operating Expenses

Administration	963,324	862,243
Development	762,243	857,033
Programs	2,267,909	2,126,237
Services	1,163,396	1,083,767
Facilities	743,633	750,064
Total operating expenses	5,900,505	5,679,344
Allocation to reserve funds****	225,000	200,000
Change in net operating assets	459,384	166,619

*Net assets released from restrictions include contributions in the current/prior year for current year expenditures.

**Sales includes gallery, supply store, coffee house, visitor meals, and studio materials.

***Beneficial interest in trust includes the John Evan Haun Endowment.

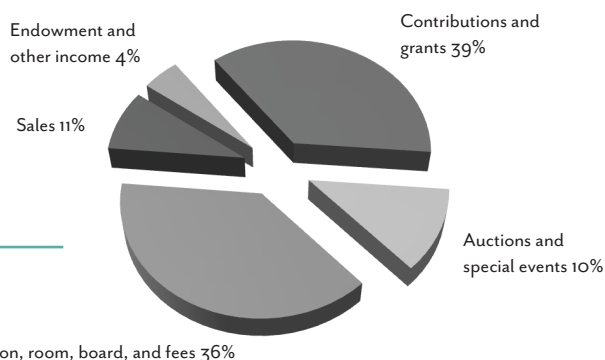
****Allocation to the building reserve and equipment reserve funds.

Depreciation expense for fiscal year 2017 was \$1,014,452 and is not reflected in the above operating expenses. It is included in the audited financial statements.

Financial information about this organization and a copy of its license are available from the Charitable Solicitation Licensing Section at 1.888.830.4989. The license is not an endorsement by the State of North Carolina.

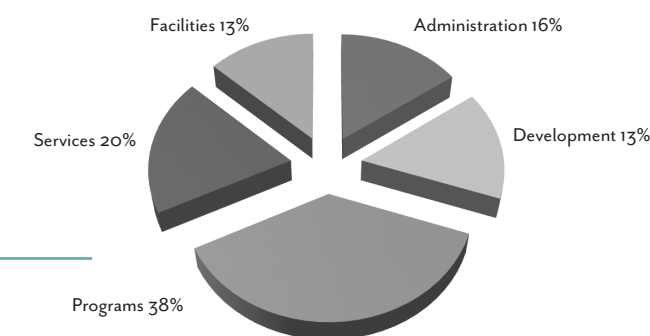
Operating Income, Fiscal Year 2017

This chart reflects unrestricted operating income.



Operating Expenses, Fiscal Year 2017

Services and facilities expenses directly support the operation of Penland's educational programs. Tuition, room, and board revenues covered 40% of Penland's operating expenses. The remainder was funded by contributions, grants, sales, endowment income, and other sources.



AUDITED FINANCIAL INFORMATION

Balance Sheet Information	4/30/17	4/30/16
Assets		
Cash and investments	27,610,761	25,525,631
Property and equipment, net	17,487,468	17,244,268
Other	338,406	352,423
Total assets	45,436,635	43,122,322
Liabilities and Net Assets		
Liabilities	4,046,313	4,295,175
Net assets	41,390,322	38,827,147
Total liabilities and net assets	45,436,635	43,122,322

Audited financial statement highlights:

Total assets for the organization increased by \$2.3 million due primarily to Campaign for Penland's Future contributions and increased values of investments.

Total liabilities decreased by approximately \$249,000.

Total support and revenue increased approximately \$2 million due primarily to increased return on investments, contributions, and grants.

Total expenses increased \$350,000 over the prior year.

On April 30, 2017, permanently restricted funds totaled \$14.3 million, an increase of \$224,000 from the prior year.

A full copy of the audited financial statement is available from the director's office.