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Certified Public Accountants

**Wildlife Trading Company
of New Mexico, Inc.
Financial Statements
December 31, 2015 and 2014**

Wildlife Trading Company of New Mexico, Inc.
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December 31, 2015 and 2014

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Independent Accountant's Compilation Report

To the Stockholder of
Wildlife Trading Company of New Mexico, Inc.
Bethel, Connecticut

Management is responsible for the balance sheets of Wildlife Trading Company of New Mexico, Inc. (the "Company") as of December 31, 2015 and 2014, and the related statements of operations and retained earnings and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.


Reynolds & Rowella, LLP

New Canaan, Connecticut
September 29, 2016

Wildlife Trading Company of New Mexico, Inc.
Balance Sheets
As of December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current Assets		
Cash	\$ 313,391	\$ 289,241
Accounts receivable	158,385	179,322
Inventory	2,071,890	2,108,085
Other current assets	103,968	263,967
Total Current Assets	<u>2,647,634</u>	<u>2,840,615</u>
Property and Equipment, net		
Furniture, fixtures and equipment	1,428,844	1,150,396
Leasehold improvements	2,365,410	2,012,912
Less: accumulated depreciation and amortization	<u>(2,011,501)</u>	<u>(1,633,270)</u>
Total Property and Equipment, net	1,782,753	1,530,038
Other assets	<u>22,798</u>	<u>24,339</u>
Total Assets	<u><u>\$ 4,453,185</u></u>	<u><u>\$ 4,394,992</u></u>
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,025,141	\$ 874,340
Due to affiliates	698,968	743,102
Loan payable to affiliate	-	136,000
Line of credit	580,000	694,000
Loan payable to bank	100,400	100,400
Total Current Liabilities	<u>2,404,509</u>	<u>2,547,842</u>
Loan payable to bank, net of current portion	216,487	350,677
Loan payable to stockholder	1,181,750	926,750
Deferred tax liability	<u>171,280</u>	<u>251,879</u>
Total Liabilities	<u>3,974,026</u>	<u>4,077,148</u>
Stockholder's Equity		
Capital stock, 200 shares authorized, issued and outstanding, par value \$5	1,000	1,000
Retained earnings	<u>478,159</u>	<u>316,844</u>
Total Stockholder's Equity	<u>479,159</u>	<u>317,844</u>
Total Liabilities and Stockholder's Equity	<u><u>\$ 4,453,185</u></u>	<u><u>\$ 4,394,992</u></u>

See independent accountant's compilation report.

Wildlife Trading Company of New Mexico, Inc.
Statements of Operations and Retained Earnings
For the Years Ended December 31, 2015 and 2014

	2015	2014
Revenues		
Net merchandise sales	\$ 15,379,663	\$ 14,333,293
Vending fees	1,421,390	1,059,613
Management fees	63,347	73,047
Stroller rental fees	62,497	65,500
Train ticket sales commissions	63,985	62,828
Total Net Revenues	<u>16,990,882</u>	<u>15,594,281</u>
Cost of Goods Sold	<u>5,584,023</u>	<u>5,032,115</u>
Gross Profit	<u>11,406,859</u>	<u>10,562,166</u>
Operating Expenses		
Wages, employee related insurance and payroll taxes	5,306,777	4,871,144
Rent	3,275,737	3,223,639
Vending commissions	670,389	438,443
Depreciation and amortization	378,233	370,529
Bank charges and credit card fees	299,701	285,043
Information systems	215,269	179,392
Management fees	207,575	369,449
Travel and entertainment	191,960	148,170
Supplies	138,718	121,256
Miscellaneous	139,959	116,761
Marketing	95,887	106,621
Utilities and telephone	77,678	80,805
Repairs and maintenance	43,000	33,808
Professional fees	28,665	37,037
Stroller commissions	23,986	18,454
Postage and delivery	18,931	24,477
Service fees	2,703	33,473
Pre-opening costs	-	10,754
Total Operating Expenses	<u>11,115,168</u>	<u>10,469,255</u>
Operating Income	291,691	92,911
Other Expenses		
Interest expense	<u>77,120</u>	<u>76,846</u>
Income Before Income Taxes	214,571	16,065
Income tax expense	<u>53,256</u>	<u>104,450</u>
Net Income (loss)	161,315	(88,385)
Retained Earnings, Beginning of Year	<u>316,844</u>	<u>405,229</u>
Retained Earnings, End of Year	<u>\$ 478,159</u>	<u>\$ 316,844</u>

See independent accountant's compilation report.

Wildlife Trading Company of New Mexico, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating Activities		
Net income (loss)	\$ 161,315	\$ (88,385)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	378,231	370,529
Deferred taxes	(80,599)	84,357
Deferred financing fees	-	3,641
Change in operating assets and liabilities:		
Accounts receivable	20,937	(120,860)
Inventory	36,195	(43,364)
Other current assets	159,999	8,869
Other assets	1,541	(2,541)
Accounts payable and accrued expenses	150,801	(36,838)
Due to affiliates	(44,134)	150,125
Net Cash Provided by Operating Activities	<u>784,286</u>	<u>325,533</u>
Investing Activities		
Capital expenditures	<u>(630,946)</u>	<u>(494,966)</u>
Net Cash Used in Investing Activities	<u>(630,946)</u>	<u>(494,966)</u>
Financing Activities		
Loan payable to affiliate	(136,000)	51,000
Proceeds from loan due to shareholder	255,000	-
Net (Repayments)/proceeds on line of credit	(114,000)	10,000
Repayments on loan payable to bank	<u>(134,190)</u>	<u>(107,728)</u>
Net Cash Used in Financing Activities	<u>(129,190)</u>	<u>(46,728)</u>
Net Change for the Year	24,150	(216,161)
Cash, Beginning of Year	<u>289,241</u>	<u>505,402</u>
Cash, End of Year	<u>\$ 313,391</u>	<u>\$ 289,241</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for:		
Interest	<u>\$ 77,120</u>	<u>\$ 76,846</u>
Income taxes	<u>\$ 3,200</u>	<u>\$ 4,596</u>

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