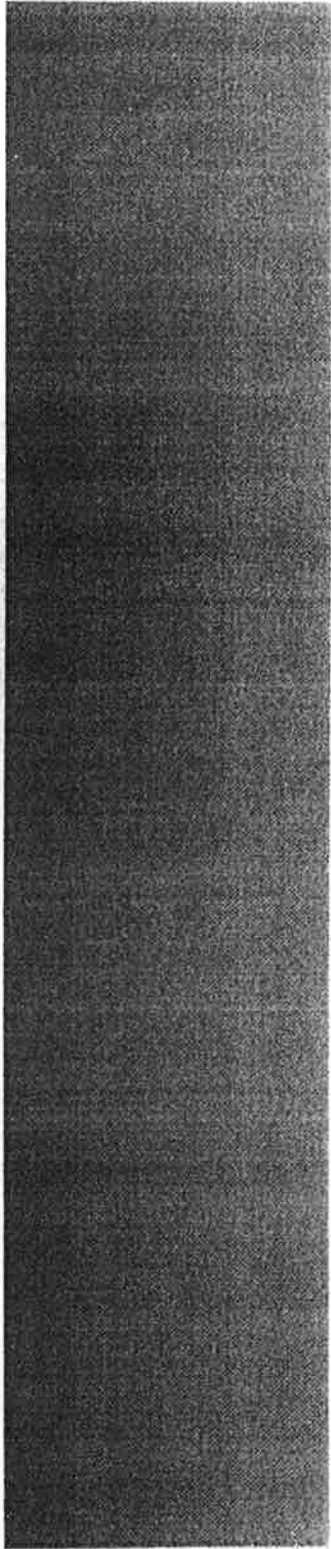




KOS

KEENE COUNTY
SCHOOL DISTRICT



Michael Rolfe Pancreatic Cancer Foundation

Financial Statements

December 31, 2014 and 2013

Michael Rolfe Pancreatic Cancer Foundation

Table of Contents

	Page
Independent Auditor's Report	1-2
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-9



KESSLER ORLEAN SILVER
CPA CERTIFIED PUBLIC ACCOUNTANTS

1101 Lake Cook Road, Suite 100
Deerfield, Illinois 60015-3704

T 847.560.4100
F 847.560.4100
www.koscpa.com

Independent Auditor's Report

To the Board of Directors
Michael Rolfe Pancreatic Cancer Foundation
Chicago, IL

We have audited the accompanying financial statement of Michael Rolfe Pancreatic Cancer Foundation (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2014 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year 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 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.

Opinion

In our opinion, the 2014 financial statements referred to above present fairly, in all material respects, the financial position of Michael Rolfe Pancreatic Cancer Foundation as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements as of December 31, 2013 were audited by Ruzicka & Associates, Ltd., who merged with Kessler, Orlean, Silver & Company, P.C. as of December 1, 2014, and whose report dated July 11, 2014, expressed an unmodified opinion on those statements.

Respectfully submitted,

Kessler, Orlean, Silver & Company, P.C.

Kessler, Orlean, Silver & Company, P.C.
Certified Public Accountants

Deerfield, Illinois
November 5, 2015

Michael Rolfe Pancreatic Cancer Foundation

Statements of Financial Position

December 31, 2014 and 2013

	2014		2013			
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Assets						
Current Assets						
Cash	\$ 340,187	\$ -	\$ 340,187	\$ 355,610	\$ -	\$ 355,610
Pledge and Gifts Receivable	8,645	31,667	40,312	7,873	23,334	31,207
Prepaid Expenses	7,299	-	7,299	22,481	-	22,481
Deposits	1,500	-	1,500	1,500	-	1,500
Total Current Assets	357,631	31,667	389,298	387,464	23,334	410,798
Fixed Assets						
Furniture and Equipment	9,955	-	9,955	9,955	-	9,955
Less: Accumulated Depreciation	(8,921)	-	(8,921)	(8,101)	-	(8,101)
Net Fixed Assets	1,034	-	1,034	1,854	-	1,854
Total Assets	\$ 358,665	\$ 31,667	\$ 390,332	\$ 389,318	\$ 23,334	\$ 412,652
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable and Accrued Liabilities	\$ 10,358	\$ -	\$ 10,358	\$ 7,288	\$ -	\$ 7,288
Net Assets	348,307	31,667	379,974	382,030	23,334	405,364
Total Liabilities and Net Assets	\$ 358,665	\$ 31,667	\$ 390,332	\$ 389,318	\$ 23,334	\$ 412,652

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation

Statements of Activities and Changes in Net Assets

For the Years Ended December 31, 2014 and 2013

	2014		2013			
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and Revenue						
Contributions	\$ 212,913	\$ 15,000	\$ 227,913	\$ 230,136	\$ 30,000	\$ 260,136
Special Events						
Gross Proceeds	544,517	-	544,517	457,411	-	457,411
Direct Expenses	(341,206)	-	(341,206)	(272,395)	-	(272,395)
Investment Income	4	-	4	7	-	7
Other	118	-	118	2,234	-	2,234
Net Assets Released from Restrictions	6,667	(6,667)	-	26,666	(26,666)	-
Total Support and Revenue and Assets Released from Restrictions	423,013	8,333	431,346	444,059	3,334	447,393
Expenses						
Program Services	302,123	-	302,123	311,646	-	311,646
Management and General	67,761	-	67,761	52,250	-	52,250
Fund Raising	86,852	-	86,852	68,723	-	68,723
Total Expenses	456,736	-	456,736	432,619	-	432,619
Increase (Decrease) in Net Assets	(33,723)	8,333	(25,390)	11,440	3,334	14,774
Net Assets at Beginning of Year	382,030	23,334	405,364	370,590	20,000	390,590
Net Assets at End of Year	\$ 348,307	\$ 31,667	\$ 379,974	\$ 382,030	\$ 23,334	\$ 405,364

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation

Statements of Functional Expenses

For the Years Ended December 31, 2014 and 2013

	2014				2013			
	Program Services	Management and General	Fund Raising	Total	Program Services	Management and General	Fund Raising	Total
Grants	\$ 277,772	\$ -	\$ -	\$ 277,772	\$ 292,772	\$ -	\$ -	\$ 292,772
Salary	8,850	33,423	37,354	79,627	8,444	30,001	33,279	71,724
Payroll Taxes	676	2,557	2,858	6,091	646	2,295	2,546	5,487
Advertising	4,013	-	-	4,013	702	-	-	702
Depreciation, Excludes \$429 and \$538 allocated to Special Events for 2014 and 2013	44	164	183	391	58	206	229	493
Fees and Charges	-	6,970	21,918	28,888	-	3,764	19,488	23,252
Insurance	228	859	960	2,047	269	956	1,060	2,285
Occupancy	1,076	4,066	4,544	9,686	1,114	3,958	4,390	9,462
Other	4,957	-	-	4,957	5,679	-	-	5,679
Postage	459	1,735	1,939	4,133	170	605	671	1,446
Professional Services	3,138	14,545	13,249	30,932	777	6,862	3,063	10,702
Supplies	415	1,570	1,754	3,739	309	1,096	1,216	2,621
Telephone	246	929	1,039	2,214	231	820	910	1,961
Travel and Meals	249	943	1,054	2,246	475	1,687	1,871	4,033
Total	\$ 302,123	\$ 67,761	\$ 86,852	\$ 456,736	\$ 311,646	\$ 52,250	\$ 68,723	\$ 432,619

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation

Statements of Cash Flows

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets	\$ (25,390)	\$ 14,774
<u>Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities</u>		
Depreciation	820	1,031
(Increase) Decrease:		
Pledge and Gifts Receivable	(9,105)	(11,207)
Prepaid Expenses	15,182	(12,635)
Increase:		
Accounts Payable and Accrued Liabilities	3,070	1,570
Total Adjustments	9,967	(21,241)
Net Cash Used by Operating Activities	(15,423)	(6,467)
Cash Flows from Investing Activities		
Purchase of Furniture and Equipment	-	(570)
Net Decrease in Cash	(15,423)	(7,037)
Cash, Beginning of Year	355,610	362,647
Cash, End of Year	<u>\$ 340,187</u>	<u>\$ 355,610</u>

See accompanying notes to the financial statements.

Michael Rolfe Pancreatic Cancer Foundation

Notes to Financial Statements

For the Years Ended December 31, 2014 and 2013

Note 1 – Summary of Significant Accounting Policies

Organization

The Michael Rolfe Pancreatic Cancer Foundation (“the Foundation”) is an Illinois Not For Profit Corporation organized to provide funds for pancreatic cancer research.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting under U.S. generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents at December 31, 2014 and 2013 consist of bank checking account and money market funds.

Contributions and Grants

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Grants and other contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions with restrictions that are met in the same period as receipt are reported as unrestricted support.

Property and Equipment

Property and equipment are carried at cost or at estimated value on date of donation. All purchases in excess of \$1,000 are capitalized while lesser amounts are charged to expense. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, which range from five to seven years. Gains and losses from the sale of property and equipment are included in income. Maintenance and repairs are charged to operations.

Fair Value Disclosures

The fair value of financial instruments including cash and cash equivalents, pledges and gifts receivables, prepaid expenses, accounts payable and accrued liabilities approximates the carrying values, principally because of the short maturity of those items.

Michael Rolfe Pancreatic Cancer Foundation

Notes to Financial Statements

For the Years Ended December 31, 2014 and 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation

Financial statement presentation follows the recommendation of FASB Accounting Standards Codification (ASC) 958-210-45. Under ASC 958-210-45, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. For the year ended December 31, 2014 the Foundation had \$348,307 of unrestricted net assets and \$31,667 of temporarily restricted net assets. For the year ended December 31, 2013 the Foundation had \$382,030 of unrestricted net assets and \$23,334 of temporarily restricted net assets. The Foundation had no permanently restricted assets in either year.

Income Taxes

The Foundation has been classified by the Internal Revenue Service as an organization exempt from income taxes (not a private foundation) under Internal Revenue Code Section 501(c)(3) and, accordingly, no provision for such taxes is made in the statements. The Foundation continues to operate in compliance with its tax-exempt purpose. Management does not believe its financial statements include uncertain tax positions.

The Foundation files U.S. federal and Illinois state informational tax returns. The federal and state informational tax returns of the Organization for tax years 2012, 2013, and 2014 can be subject to examinations by tax authorities, generally for three years after they were filed. The Foundation recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At December 31, 2014 and 2013 there was no interest or penalties relating to income taxes recognized in the statement of activities.

Subsequent Events

Management has evaluated subsequent events through November 5, 2015, the date the financial statements were available to be issued.

Note 2 – Pledges and Gifts Receivables

Pledges and gifts receivables consist of pledges and gifts receivable from organizations and individuals which are due within a year or less. Management considers all receivables to be 100% collectible.

Note 3 – Temporarily Restricted Net Assets

Temporarily restricted net assets relate to cash and pledges received for the “One Thousand Days of Research” campaign. Pledges maturities are as follows: \$26,667 in 2015 and \$5,000 in 2016.

Michael Rolfe Pancreatic Cancer Foundation

Notes to Financial Statements

For the Years Ended December 31, 2014 and 2013

Note 4 – Rent Commitment

At the end of 2009, the Foundation entered into a lease agreement with 17 N. State LLC, an Illinois limited liability company, for office space. The lease ends on February 28, 2016. The monthly rent expense gradually increased over the years. At December 31, 2014, the monthly rent is \$1,655. The monthly rent will increase to \$1,696 on March 1, 2015. The future lease commitments on this lease were as following:

<u>Year</u>	<u>Amount</u>
2015	\$ 20,270
2016	3,392
Total	\$ 23,662

During 2014 and 2013, rent expense equaled \$19,409 and \$19,130, respectively.

Note 5 – Grants

The Foundation annually awards grants to various organizations to promote research for the early detection of pancreatic cancer. For the years ended December 31, 2014 and 2013, grants awarded were \$277,772 and \$292,772, respectively.

Note 6 – Concentration of Cash

At December 31, 2014 and 2013, the Foundation maintained cash at a financial institution in excess of the Federal Deposit Insurance Corporation's ("FDIC") limit of \$250,000. At December 31, 2014 and 2013, the uninsured balances totaled \$89,131 and \$81,450 respectively.