



*FINANCIAL STATEMENTS*

March 31, 2015 and 2014

# **The American Breast Cancer Foundation, Inc.**

## **TABLE OF CONTENTS**

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1
<b>FINANCIAL STATEMENTS:</b>	
STATEMENTS OF FINANCIAL POSITION	2
STATEMENTS OF ACTIVITIES	3 - 4
STATEMENTS OF FUNCTIONAL EXPENSES	5 - 6
STATEMENTS OF CASH FLOWS	7 - 8
NOTES TO THE FINANCIAL STATEMENTS	9 - 15



## INDEPENDENT AUDITOR'S REPORT

Board of Directors of  
The American Breast Cancer Foundation, Inc.  
Columbia, Maryland

We have audited the accompanying financial statements of The American Breast Cancer Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 financial statements referred to above present fairly, in all material respects, the financial position of The American Breast Cancer Foundation, Inc. as of March 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Weil, Akman, Baylin & Coleman, P.A.*

Timonium, Maryland  
July 22, 2015

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENTS OF FINANCIAL POSITION

MARCH 31,

2015

2014

### ASSETS

#### Current assets

Cash and cash equivalents	\$ 362,257	\$ 275,340
Investments	1,892,465	1,052,823
Other receivables	19,788	7,439
Prepaid expenses	10,310	14,898

#### Total current assets

2,284,820      1,350,500

#### Property and equipment, net

29,626      9,387

#### Property under capital lease, net

7,615      -

#### Other assets

Intangible assets, net	696	1,146
Deposits	17,105	8,925

#### Total other assets

17,801      10,071

#### Total assets

\$ 2,339,862      \$ 1,369,958

---

---

2015

2014

**LIABILITIES AND NET ASSETS**

**Liabilities**

Accounts payable	\$ 112,557	\$ 24,814
Accrued expenses	38,906	51,883
Deferred rent expense	12,100	-
Capital lease obligations	6,782	-

**Total liabilities**

170,345      76,697

**Net assets**

Temporarily restricted	-	400
Unrestricted	<u>2,169,517</u>	<u>1,292,861</u>

**Total net assets**

2,169,517      1,293,261

**Total liabilities and net assets**

\$ 2,339,862      \$ 1,369,958

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED MARCH 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues, gains, and support</b>			
Public support	\$ 515,540	\$ -	\$ 515,540
Legacies and bequests	1,140,628	-	1,140,628
Donated services	832	-	832
Other revenue	7,805	-	7,805
Dividends and interest	55,178	-	55,178
Net realized and unrealized gain on investments	9,846	-	9,846
Special event revenue	32,672	-	32,672
(Loss) on disposal of asset	(161)	-	(161)
Net assets released from restriction	400	(400)	-
<b>Total unrestricted revenues, gains, and support</b>	<u>1,762,740</u>	<u>(400)</u>	<u>1,762,340</u>
<b>Functional expenses</b>			
Program services	423,236	-	423,236
General and administrative	296,404	-	296,404
Fundraising	142,066	-	142,066
Special event - costs of direct benefits to donors	24,378	-	24,378
<b>Total functional expenses</b>	<u>886,084</u>	<u>-</u>	<u>886,084</u>
<b>Change in net assets</b>	876,656	(400)	876,256
<b>Net assets - beginning of year</b>	<u>1,292,861</u>	<u>400</u>	<u>1,293,261</u>
<b>Net assets - end of year</b>	<u>\$ 2,169,517</u>	<u>\$ -</u>	<u>\$ 2,169,517</u>

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED MARCH 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Unrestricted revenues, gains, and support</b>			
Public support	\$ 582,090	\$ 525	\$ 582,615
Legacies and bequests	138,938	-	138,938
Donated services	4,330	-	4,330
Grant revenue	400	-	400
Other revenue	7,043	-	7,043
Dividends and interest	40,351	-	40,351
Net realized and unrealized gain on investments	53,443	-	53,443
Special event revenue	63,309	-	63,309
Net assets released from restriction	125	(125)	-
<b>Total unrestricted revenues, gains, and support</b>	<u>890,029</u>	<u>400</u>	<u>890,429</u>
<b>Functional expenses</b>			
Program services	422,807	-	422,807
General and administrative	240,825	-	240,825
Fundraising	245,361	-	245,361
Special event - costs of direct benefits to donors	37,125	-	37,125
<b>Total functional expenses</b>	<u>946,118</u>	<u>-</u>	<u>946,118</u>
<b>Change in unrestricted net assets</b>	(56,089)	400	(55,689)
<b>Unrestricted net assets - beginning of year</b>	<u>1,348,950</u>	<u>-</u>	<u>1,348,950</u>
<b>Unrestricted net assets - end of year</b>	<u>\$ 1,292,861</u>	<u>\$ 400</u>	<u>\$ 1,293,261</u>

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED MARCH 31, 2015

	<u>Program Services</u>	<u>General &amp; Administrative</u>	<u>Fundraising</u>	<u>Special Event</u>	<u>Total</u>
Bank charges	\$ 2,245	\$ 670	\$ 1,226	\$ -	\$ 4,141
Consulting	5,900	-	115	-	6,015
Depreciation and amortization	2,509	1,615	1,225	-	5,349
Dues and subscriptions	257	513	257	-	1,027
Employee benefits	42	911	144	-	1,097
Financial assistance - individuals	72,703	-	-	-	72,703
Insurance - health	11,414	14,565	6,173	-	32,152
Insurance - other	4,569	5,829	2,470	-	12,868
Interest expense	-	506	-	-	506
Licenses and permits	-	44	-	-	44
Marketing	-	-	258	-	258
Miscellaneous	4,930	4,642	3,096	-	12,668
Meals and entertainment	-	174	-	-	174
Office expenses	1,161	1,162	774	-	3,097
Payroll processing fees	550	702	298	-	1,550
Payroll taxes	10,843	13,836	5,864	-	30,543
Postage and shipping	1,766	679	2,273	-	4,718
Printing and reproduction	229	457	228	-	914
Professional fees	11,071	20,981	7,158	-	39,210
Public appeal	-	-	6,776	-	6,776
Rent	36,057	24,698	16,248	-	77,003
Repairs and maintenance	4,385	4,157	1,842	-	10,384
Retirement plan contribution	2,265	2,891	1,225	-	6,381
Salaries - officer	49,709	63,430	26,884	-	140,023
Salaries - other	95,725	122,152	51,773	-	269,650
Special event costs	-	-	-	24,378	24,378
State registration	-	2,693	2,693	-	5,386
Support grants	93,494	-	-	-	93,494
Telephone and internet	8,354	1,790	1,790	-	11,934
Travel	-	5,573	62	-	5,635
Utilities	3,058	1,734	1,214	-	6,006
<b>Total expenses</b>	<b>\$ 423,236</b>	<b>\$ 296,404</b>	<b>\$ 142,066</b>	<b>\$ 24,378</b>	<b>\$ 886,084</b>



# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED MARCH 31, 2014

	Program Services	General & Administrative	Fundraising	Special Event	Total
Bank charges	\$ 2,310	\$ 651	\$ 1,345	\$ -	\$ 4,306
Consulting	2,231	6,300	7,810	-	16,341
Depreciation and amortization	1,932	2,262	3,871	-	8,065
Dues and subscriptions	152	306	153	-	611
Employee benefits	38	543	89	-	670
Financial assistance - individuals	144,591	-	-	-	144,591
Insurance - health	7,136	7,136	8,028	-	22,300
Insurance - other	4,191	4,192	4,716	-	13,099
Interest expense	-	14	-	-	14
Licenses and permits	-	1,345	-	-	1,345
Marketing	-	-	176	-	176
Miscellaneous	1,679	1,178	785	-	3,642
Meals and entertainment	-	324	135	-	459
Office expenses	869	516	344	-	1,729
Payroll processing fees	428	428	482	-	1,338
Payroll taxes	9,577	9,576	10,773	-	29,926
Postage and shipping	2,077	680	414	-	3,171
Printing and reproduction	411	824	412	-	1,647
Professional fees	13,521	29,781	9,813	-	53,115
Public appeal	-	-	16,603	-	16,603
Rent	44,947	26,412	17,838	-	89,197
Repairs and maintenance	4,784	2,832	1,970	-	9,586
Retirement plan contribution	1,408	1,409	1,585	-	4,402
Salaries - officer	-	30,126	-	-	30,126
Salaries - other	130,408	103,693	148,077	-	382,178
Special event costs	-	-	-	37,125	37,125
State registration	-	2,208	2,208	-	4,416
Support grants	30,063	-	-	-	30,063
Telephone and internet	15,006	3,215	3,215	-	21,436
Travel	-	1,427	1,349	-	2,776
Utilities	5,048	3,447	3,170	-	11,665
<b>Total expenses</b>	<b>\$ 422,807</b>	<b>\$ 240,825</b>	<b>\$ 245,361</b>	<b>\$ 37,125</b>	<b>\$ 946,118</b>

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31,

2015

2014

### Cash flows from operating activities:

Change in net assets	\$ 876,256	\$ (55,689)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	5,348	8,065
Donated stock	(839,169)	(113,788)
Loss on disposal of asset	161	-
Net realized and unrealized gains on investments	(9,846)	(53,443)
(Increase) decrease in assets:		
Legacies and bequests receivable	-	14,000
Other receivables	(12,349)	3,238
Prepaid expenses	4,588	(106)
Deposit	(8,180)	8,769
Increase (decrease) in liabilities:		
Accounts payable	87,743	24,814
Accrued expenses	(12,977)	(14,176)
Deferred rent expense	12,100	-

### Net cash provided (used) by operating activities

103,675 (178,316)

### Cash flows from investing activities:

Purchase of property and equipment	(24,898)	(7,268)
Purchase of investments	(265,692)	(625,058)
Proceeds from sale of investments	275,065	696,811

### Net cash (used) provided by investing activities

(15,525) 64,485

### Cash flows (used) by financing activities:

Repayments on capital lease obligations	(1,233)	-
---	---------	---

### Net increase (decrease) in cash and cash equivalents

86,917 (113,831)

### Cash and cash equivalents - beginning of year

275,340 389,171

### Cash and cash equivalents - end of year

362,257 275,340

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31,

2015

2014

### Supplemental disclosure of cash flow information:

Cash paid for:

Interest

\$	506	\$	14
----	-----	----	----

### Supplemental disclosure of non-cash investing and financing activities:

Donated stock

\$	839,169	\$	113,788
----	---------	----	---------

Property acquired under capital lease

\$	8,016	\$	-
----	-------	----	---

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Organization**

The American Breast Cancer Foundation, Inc. (the Foundation) is a not-for-profit corporation established to provide individuals in financial need, their families and their loved ones with education, support, and access to early detection through contributions and fundraising throughout the United States. The Foundation provides financial assistance to uninsured and underserved individuals for the screening, diagnosis, treatment and survival of breast cancer.

#### **Method of Accounting**

The financial statements are prepared on the accrual basis of accounting.

#### **Basis of Presentation**

Financial statement presentation follows the recommendations of the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. Under the Topic, 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. There were no permanently restricted net assets for the years ended March 31, 2015 and 2014.

#### **Cash and Cash Equivalents**

The Foundation considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. The Foundation maintains their cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. The Foundation's management believes the Foundation is not exposed to any significant credit risk on their balances.

#### **Legacies and Bequests Receivable**

Legacies and bequests receivable are stated at the estimated amount management expects to collect from probated wills. All receivables are expected to be collected within a year. There are no legacies and bequests receivable for the years ended March 31, 2015 and 2014.

#### **Investments**

The Not-for-Profit Entities Topic of the FASB Accounting Standards Codification requires that investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statement of financial position. The unrealized gains and losses are included in the change in unrestricted net assets.

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fair Value

The Foundation follows the Fair Value Measurement and Disclosure Topic of the FASB Accounting Standards Codification, which provides a framework for measuring the fair value of assets and liabilities. The Topic also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. The Topic applies whenever other standards require (or permit) assets or liabilities to be measured at fair value but does not expand the use of fair value in any new circumstances.

The three levels of the fair value hierarchy and investments that fall into each of the levels are described below:

- **Level 1:** Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- **Level 2:** Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3:** Level 3 inputs are unobservable and cannot be corroborated by observable market data. They are based on the best information available in the circumstances.

#### Depreciation and Amortization

Property and equipment are stated at cost or fair value at date of donation for donated items. Depreciation and amortization is provided using the straight-line method over the estimated useful lives of the assets as follows:

Computer equipment	5 years
Furniture and fixtures	7 years
Leasehold improvements	Lesser of useful life or lease term
Office equipment	5 - 10 years
Trademarks	5 - 15 years

Additions and betterments of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

#### Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. The Foundation had no unrelated business income for the years ended March 31, 2015 and 2014. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Income Taxes (continued)**

The Foundation believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation files its forms 990 in the U.S. federal jurisdiction and various states. The Foundation is generally no longer subject to examination by the Internal Revenue Service for years before 2011. The Foundation recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses, however no such interest or penalties were recognized during the periods presented. The Foundation had no accruals or expenses for interest and penalties at and for the years ending March 31, 2015 and 2014.

#### **Contributions**

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

#### **Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Volunteers also provided program or fundraising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

#### **Expense Allocation**

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### **Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

#### **Reclassification**

Certain amounts in 2014 have been reclassified to conform with the 2015 presentation. Such reclassifications have no effect on previously reported net income.

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

### NOTE B. INVESTMENTS

The following table reflects a summary of investments held by the Foundation as of March 31:

<u>Investments</u>	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Stocks and ETFs	\$ 748,900	\$ 780,676	\$ 229,713	\$ 245,036
Municipal Bonds	386,929	389,699	58,295	59,064
Equity trusts	159,495	182,415	155,083	160,224
Mutual funds:				
Open end mutual funds	282,568	325,135	382,146	462,179
Closed end mutual funds	237,025	214,540	132,680	126,320
<b>Total investments</b>	<b>\$ 1,814,917</b>	<b>\$ 1,892,465</b>	<b>\$ 957,917</b>	<b>\$ 1,052,823</b>
			<b><u>2015</u></b>	<b><u>2014</u></b>
Realized and unrealized gains on investments			\$ 16,616	\$ 61,151
Investment expense			(6,770)	(7,708)
<b>Net realized and unrealized gains on investments</b>			<b>\$ 9,846</b>	<b>\$ 53,443</b>

### NOTE C. PROPERTY AND EQUIPMENT, net

Property and equipment consisted of the following at March 31:

	<u>2015</u>	<u>2014</u>
Computer equipment	\$ 52,927	\$ 85,910
Furniture and fixtures	5,997	5,997
Leasehold improvements	-	10,466
Office equipment	18,771	25,545
	<u>77,695</u>	<u>127,918</u>
Less: accumulated depreciation	<u>(48,069)</u>	<u>(118,531)</u>
<b>Property and equipment, net</b>	<b>\$ 29,626</b>	<b>\$ 9,387</b>
<b>Depreciation expense</b>	<b>\$ 4,497</b>	<b>\$ 7,487</b>

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

### NOTE D. PROPERTY UNDER CAPITAL LEASE, net

Property under capital lease consisted of the following at March 31:

	<u>2015</u>	<u>2014</u>
Property under capital lease	\$ 8,016	\$ -
Less: accumulated depreciation	(401)	-
<b>Capital lease equipment, net</b>	<u>\$ 7,615</u>	<u>\$ -</u>
<b>Depreciation expense</b>	<u>\$ 401</u>	<u>\$ -</u>

### NOTE E. INTANGIBLE ASSETS, net

Intangible assets consisted of the following at March 31:

	<u>2015</u>	<u>2014</u>
Trademarks	\$ 2,250	\$ 4,346
Less: accumulated amortization	(1,554)	(3,200)
<b>Intangible assets, net</b>	<u>\$ 696</u>	<u>\$ 1,146</u>
<b>Amortization expense</b>	<u>\$ 450</u>	<u>\$ 578</u>

### NOTE F. DONATED SERVICES AND MATERIALS

The fair value of donated materials included as fundraising revenue in the financial statements and the corresponding functional expenses are as follows for the years ended March 31:

	<u>2015</u>	<u>2014</u>
Fashion show	\$ 5,011	\$ 1,322
Golf event	-	1,309
<b>Total donated materials</b>	<u>\$ 5,011</u>	<u>\$ 2,631</u>

The fair value of donated services included as contributions in the financial statements and the corresponding functional expenses are as follows for the years ended March 31:

	<u>2015</u>	<u>2014</u>
Consulting	\$ -	\$ 5,750
Janitorial services	832	2,080
<b>Total donated services</b>	<u>\$ 832</u>	<u>\$ 7,830</u>

Donated services for the years ended March 31, 2015 and 2014 included \$0 and \$3,500, respectively, of consulting services recorded as special event revenue.



# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

---

### NOTE G. COMMITMENTS

#### Operating leases

The Foundation leased office space in Maryland under a lease agreement which expired in November 2014. In December 2014, the Foundation moved into a temporary office location as the renovation of its new office was not completed. The Foundation entered into a new lease agreement which expires August 2021. Under the new lease, the Foundation receives an abatement of rent for seven months once the Foundation moves into its new office space. Rent expense was \$77,003 and \$89,197 for the years ended March 31, 2015 and 2014, respectively.

At March 31, 2015 the remaining minimum payments required under the office lease are as follows:

March 31, 2016	\$	12,316
2017		74,264
2018		76,492
2019		78,786
2020		81,150
Thereafter		<u>119,260</u>
<b>Total future minimum payments</b>	<b>\$</b>	<b><u>442,268</u></b>

The Foundation leases office equipment under operating lease agreements expiring in various years through 2017. Monthly payments range from \$59 to \$266. Equipment rental expense under leases was \$4,104 and \$4,136 for the years ended March 31, 2015 and 2014, respectively. Equipment rental expense is recorded under repairs and maintenance.

At March 31, 2015 the remaining minimum payments required under these leases are as follows:

March 31, 2016	\$	3,189
2017		<u>3,189</u>
<b>Total future minimum payments</b>	<b>\$</b>	<b><u>6,378</u></b>

### NOTE H. OBLIGATIONS UNDER CAPITAL LEASE

The Company acquired office equipment under an agreements classified as a capital lease. The lease obligations are secured by the related asset. As of March 31, 2015 future minimum lease payments for the obligations under capital lease consist of the following:

March 31, 2016	\$	<u>6,782</u>
----------------	----	--------------

### NOTE I. BUSINESS CONCENTRATIONS

Legacies and bequests from two estates and one estate consists of approximately 64% and 13% of the total contributions for the years ended March 31, 2015 and 2014, respectively.

# THE AMERICAN BREAST CANCER FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2015 AND 2014**

### NOTE J. EMPLOYEE RETIREMENT PLAN

The Foundation has a SIMPLE IRA Plan covering essentially all employees. Employees are eligible for a 3% match from the Foundation. The Foundation contributed \$6,381 and \$4,402 to the Plan for the years ended March 31, 2015 and 2014, respectively.

### NOTE K. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair values of assets measured on a recurring basis are as follows at March 31:

	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>2015</b>				
Stocks and ETFs	\$ 780,676	\$ 780,676	\$ -	\$ -
Preferred stock	389,699	389,699	-	-
Equity trusts	182,415	182,415	-	-
Open end mutual funds	325,135	325,135	-	-
Closed end mutual funds	214,540	214,540	-	-
Total assets at fair value	<u>\$ 1,892,465</u>	<u>\$ 1,892,465</u>	<u>\$ -</u>	<u>\$ -</u>
<b>2014</b>				
Stocks and ETFs	\$ 245,036	\$ 245,036	\$ -	\$ -
Preferred stock	59,064	59,064	-	-
Equity trusts	160,224	160,224	-	-
Open end mutual funds	462,179	462,179	-	-
Closed end mutual funds	126,320	126,320	-	-
Total assets at fair value	<u>\$ 1,052,823</u>	<u>\$ 1,052,823</u>	<u>\$ -</u>	<u>\$ -</u>

### NOTE L. SUBSEQUENT EVENTS

In preparing these financial statements, the Foundation has evaluated events and transactions subsequent to March 31, 2015 through July 22, 2015, the date these financial statements were available to be issued. As required by the Subsequent Events Topic of the FASB Accounting Standards Codification, the Foundation is not aware of any subsequent events which would require recognition or disclosure in the financial statements.