



**NATIONAL BREAST CANCER COALITION FUND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

NATIONAL BREAST CANCER COALITION FUND

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DECEMBER 31, 2015

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## Independent Auditors' Report

To the Board of Directors  
National Breast Cancer Coalition Fund  
Washington, D.C.

We have audited the accompanying financial statements of the National Breast Cancer Coalition Fund (NBCC), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, 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.

### *Auditors' 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 auditors' 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 auditors consider 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 National Breast Cancer Coalition Fund as of December 31, 2015, 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.



To the Board of Directors  
National Breast Cancer Coalition Fund

***Report on Summarized Comparative Information***

We have previously audited NBCC's 2014 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated April 21, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Councilor, Buchanan + Mitchell, P.C.*

Washington, D.C.  
April 27, 2016

Certified Public Accountants

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2015**

**(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2014)**

	2015	2014
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 607,464	\$ 425,800
Pledges and Grants Receivable	1,422,017	2,168,015
Due from National Breast Cancer Coalition	45,715	10,320
Prepaid Expenses	87,322	62,855
Total Current Assets	2,162,518	2,666,990
<b>Pledges and Grants Receivable</b>		
Net of Current Portion	1,118,710	1,635,462
<b>Property and Equipment</b>		
Furniture and Equipment	250,922	238,295
Software	20,702	20,702
Website	280,857	280,857
Leasehold Improvements	355,772	350,660
Equipment under Capital Lease	31,951	31,951
	940,204	922,465
Less Accumulated Depreciation and Amortization	(615,571)	(550,540)
Total Property and Equipment	324,633	371,925
<b>Deposits</b>	57,134	38,089
<b>Total Assets</b>	\$ 3,662,995	\$ 4,712,466
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 148,161	\$ 247,978
Accrued Expenses	53,620	49,609
Deferred Revenue	-	500
Deferred Rent	47,086	47,086
Line of Credit	-	300,000
Obligation under Capital Lease	6,979	6,509
Total Current Liabilities	255,846	651,682
<b>Deferred Rent, Net of Current Portion</b>	339,105	362,493
<b>Obligation under Capital Lease,</b>		
Net of Current Portion	4,302	11,281
Total Liabilities	599,253	1,025,456
<b>Net Assets (Deficit)</b>		
<b>Unrestricted Net Assets (Deficit)</b>	545,991	(140,855)
<b>Temporarily Restricted Net Assets</b>		
Temporarily Restricted by Donor for Purpose	761,874	1,547,113
Temporarily Restricted, General Support for Future Periods	1,755,877	2,280,752
Total Temporarily Restricted Net Assets	2,517,751	3,827,865
Total Net Assets	3,063,742	3,687,010
<b>Total Liabilities and Net Assets</b>	\$ 3,662,995	\$ 4,712,466

*See accompanying Notes to Financial Statements.*

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
<b>Revenues</b>				
Events	\$ 1,198,089	\$ -	\$ 1,198,089	\$ 1,142,476
Less Costs of Direct Benefits to Donors	(339,006)	-	(339,006)	(339,310)
Grants and Contributions	2,017,647	145,884	2,163,531	2,642,269
In-Kind Contributions	22,741	-	22,741	27,956
Dues	10,800	-	10,800	11,360
Interest and Dividend Income	1,576	-	1,576	1,263
Investment Losses	(448)	-	(448)	(102)
Gain from Disposal of Lease and Sublease	-	-	-	83,400
Other Income	16,992	-	16,992	56,611
Net Assets Released from Restrictions	1,455,998	(1,455,998)	-	-
<b>Total Revenues</b>	<b>4,384,389</b>	<b>(1,310,114)</b>	<b>3,074,275</b>	<b>3,625,923</b>
<b>Expenses</b>				
<b>Programs</b>				
Education and Training	1,093,663	-	1,093,663	1,043,004
Public Information, Communication, and Outreach	298,347	-	298,347	435,227
Catalytic Research Projects and Collaborations	1,004,955	-	1,004,955	784,647
Public Policy	357,561	-	357,561	344,384
Grassroots Advocacy Field Network Development and Support	306,500	-	306,500	252,500
Other Programs	35,419	-	35,419	25,695
<b>Total Programs</b>	<b>3,096,445</b>	<b>-</b>	<b>3,096,445</b>	<b>2,885,457</b>
<b>Management and General</b>	<b>224,859</b>	<b>-</b>	<b>224,859</b>	<b>297,474</b>
<b>Fundraising</b>	<b>376,239</b>	<b>-</b>	<b>376,239</b>	<b>370,960</b>
<b>Total Expenses</b>	<b>3,697,543</b>	<b>-</b>	<b>3,697,543</b>	<b>3,553,891</b>
Change in Net Assets	686,846	(1,310,114)	(623,268)	72,032
Net Assets (Deficit), Beginning of Year	(140,855)	3,827,865	3,687,010	3,614,978
<b>Net Assets, End of Year</b>	<b>\$ 545,991</b>	<b>\$ 2,517,751</b>	<b>\$ 3,063,742</b>	<b>\$ 3,687,010</b>

*See accompanying Notes to Financial Statements.*

NATIONAL BREAST CANCER COALITION FUND

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Education and Training	Public Information, and Outreach	Catalytic Research and Collaborations	Public Policy	Grassroots Advocacy Field Network Development and Support	Other Programs	Total Programs	Management and General	Fundraising	2015 Total	2014 Total
Salaries	\$ 400,686	\$ 142,823	\$ 347,134	\$ 24,699	\$ 144,002	\$ 24,629	\$ 1,083,973	\$ 107,074	\$ 125,825	\$ 1,316,872	\$ 1,162,826
Payroll Taxes	30,473	10,622	24,640	1,762	10,385	1,740	79,622	7,969	9,042	96,633	86,439
Retirement Plan Contributions	7,080	2,439	5,551	506	3,815	234	19,625	1,589	2,068	23,282	27,146
Other Employee Benefits	29,893	13,520	27,415	2,012	12,914	1,541	87,295	10,068	12,086	109,449	81,295
Consultants	87,656	4,470	36,668	22,692	68,175	146	219,807	13,124	108,734	341,665	366,020
Legal Fees	-	13,992	-	-	-	-	13,992	6,302	-	20,294	56,170
Accounting Fees	-	-	-	-	-	-	-	18,406	-	18,406	14,578
Staff Development/Recruitment	2,104	3,266	1,394	936	821	551	9,072	725	910	10,707	20,970
Printing/Copying/Design/Graphic	28,476	12,018	3,242	93	1,588	183	45,600	628	31,581	77,809	100,424
Publications and Subscriptions	-	-	448	59	-	-	507	1,000	6,055	7,562	12,030
Postage	8,690	3,772	1,151	38	2,048	24	15,723	457	8,198	24,378	55,527
Office Supplies	3,276	705	1,128	62	486	35	5,692	549	1,235	7,476	6,316
Meetings and Events	290,019	5,522	129,544	72	18,918	183	444,258	14,936	7,188	466,382	401,819
Scholarships	9,772	-	-	-	-	-	9,772	-	-	9,772	68,660
Occupancy	59,519	24,297	34,410	2,438	19,586	1,532	141,782	17,378	18,927	178,087	400,183
Telecommunications	22,137	17,666	22,833	856	8,802	422	72,716	5,868	13,553	92,137	126,045
Depreciation and Amortization	21,397	8,920	12,907	908	7,168	507	51,807	6,375	6,849	65,031	34,411
Equipment	1,413	571	836	59	454	36	3,369	5,412	415	9,196	6,647
Travel	83,780	27,576	40,119	192	5,879	2,661	160,207	480	1,620	162,307	139,211
Insurance	2,219	978	1,388	96	782	63	5,526	719	790	7,035	8,343
Dues and Fees	2,578	815	2,047	81	660	932	7,113	980	7,205	15,298	20,129
Direct Mail Expense	-	4,375	-	-	-	-	4,375	-	825	5,200	23,005
Grants	-	-	292,000	300,000	-	-	592,000	-	-	592,000	305,000
Honorarium	-	-	20,000	-	-	-	20,000	-	-	20,000	-
Miscellaneous	-	-	-	-	-	-	-	3,270	-	3,270	1,366
Bank Fees	2,495	-	100	-	17	-	2,612	-	13,133	15,745	16,275
Interest	-	-	-	-	-	-	-	1,550	-	1,550	13,056
<b>Total Expenses</b>	<b>\$ 1,093,663</b>	<b>\$ 298,347</b>	<b>\$ 1,004,955</b>	<b>\$ 357,561</b>	<b>\$ 306,500</b>	<b>\$ 35,419</b>	<b>\$ 3,096,445</b>	<b>\$ 224,859</b>	<b>\$ 376,239</b>	<b>\$ 3,697,543</b>	<b>\$ 3,553,891</b>

See accompanying Notes to Financial Statements.

**NATIONAL BREAST CANCER COALITION FUND**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	2015	2014
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ (623,268)	\$ 72,032
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	65,031	34,411
(Increase) Decrease in Assets		
Pledges and Grants Receivable	1,262,750	602,167
Due from National Breast Cancer Coalition	(35,395)	(3,341)
Prepaid Expenses	(24,467)	(18,784)
Deposits	(19,045)	78
Increase (Decrease) in Liabilities		
Accounts Payable	(99,817)	(367,657)
Accrued Expenses	4,011	(2,270)
Deferred Revenue	(500)	500
Deferred Rent	(23,388)	(73,355)
Deferred Sublease Rent	-	(41,340)
Deposit Payable	-	(6,125)
Net Cash Provided by Operating Activities	505,912	196,316
<b>Cash Flows from Investing Activities</b>		
Purchases of Property and Equipment	(17,739)	(2,180)
Net Cash Used in Investing Activities	(17,739)	(2,180)
<b>Cash Flows from Financing Activities</b>		
Borrowings on Line of Credit	-	300,000
Repayments on Line of Credit	(300,000)	(300,000)
Repayments of Capital Lease Obligation	(6,509)	(6,070)
Net Cash Used in Financing Activities	(306,509)	(6,070)
Net Increase in Cash and Cash Equivalents	181,664	188,066
Cash and Cash Equivalents, Beginning of Year	425,800	237,734
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 607,464</b>	<b>\$ 425,800</b>
<b>Supplementary Disclosure of Cash Flow Information</b>		
Interest Paid	\$ 1,550	\$ 13,056

**Noncash Transaction from Investing and Financing Activities**

NBCC received an allowance of approximately \$355,000 for leasehold improvements and related costs during 2014 pursuant to an operating lease.

*See accompanying Notes to Financial Statements.*



NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization*

The National Breast Cancer Coalition Fund (NBCC) is a nonprofit organization incorporated under the laws of the Commonwealth of Pennsylvania on December 19, 1991. The purpose of the organization is to eradicate breast cancer through focusing national attention on breast cancer and by involving patients and others as advocates for action, advances, and change.

To renew the sense of urgency to its mission and to refocus global efforts on ending breast cancer and saving lives, the National Breast Cancer Coalition has set a deadline: Know how to end breast cancer by January 1, 2020, Breast Cancer Deadline 2020®. NBCC has a strategic plan of action to achieve the deadline. The plan focuses on primary prevention, stopping women from getting breast cancer, and understanding and preventing metastasis (the spread of cancer), which is responsible for most breast cancer deaths. The blueprint is designed around three goals: research needed to end breast cancer; global access to the necessary information and lifesaving interventions; and the influence of leaders everywhere in the strategies to end breast cancer.

*Programs of NBCC include:*

*Education and training* - NBCC's work to know how to end breast cancer by January 1, 2020, through the Breast Cancer Deadline 2020® initiative requires the involvement and leadership of educated breast cancer advocates. The Center for NBCC Advocacy Training is a leader in supplying the education, tools, training, and action that enable breast cancer survivors and other advocates to take leadership roles in clinical, scientific, policy and legislative decision making that affects breast cancer research. With the new focus and urgency of the Breast Cancer Deadline 2020® initiative, the Center for NBCC Advocacy Training plays a key role in training breast cancer advocates from across the country and around the world to work in their communities and side-by-side with scientists to change the conversation in breast cancer and focus research on key areas that will end the disease. The Center for NBCC Advocacy Training offers courses and other learning opportunities throughout the year, from introductory programs to advanced and continuing education.

The Annual Advocate Summit (formerly the Advocacy Training Conference) is an annual four-day event that brings together breast cancer advocates from across the country and around the world to share strategies, learn about recent research developments, and sharpen their advocacy skills.

At NBCC's Team Leader Training, NBCC's strongest and most involved advocates receive advanced training about the legislative process, the public policy priorities of NBCC, and the role of the advocates in achieving those priorities.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Programs of NBCC include (Continued):*

Project LEAD<sup>®</sup>, NBCC's innovative science training course, is designed to help breast cancer activists influence research and public policy. An intensive two-to-five-day program, Project LEAD prepares advocates for participation in the wide range of forums where breast cancer research decisions are made. All Project LEAD graduates have access to a dedicated website, LEAD Grads Online, with robust discussions about research and science, searchable by topic, author, thread, and date; a bulletin board for research opportunities; a resource section with links; and NBCC clinical trial partnership information and other materials. Other continuing education opportunities for LEAD graduates include LEADcast journal article discussions, in-service programs at scientific meetings and advanced workshops at the Annual Advocate Summit.

Another component of NBCC's extensive education programs is the Online Center for Advocacy Training. The Online Center for Advocacy Training brings NBCC's training experiences directly to advocates in a convenient and understandable digital format. Beginners and advanced learners alike can watch the sought after speakers and provocative thinkers on breast cancer research and public policy discuss fascinating and controversial topics.

*Public information, communications, and outreach* - In tandem with the launch of Breast Cancer Deadline 2020<sup>®</sup>, NBCC has undertaken an expansive effort to change the conversation around breast cancer to a dialogue about knowing how to end the disease by 2020. The NBCC website, print & electronic communications introduce Breast Cancer Deadline 2020<sup>®</sup> and NBCC's programs and goals to individuals with an interest in breast cancer, educating and activating thousands of new advocates each year. NBCC regularly provides public education through monthly e-newsletters, frequent email alerts, a print newsletter, updates to the website ([www.BreastCancerDeadline2020.org](http://www.BreastCancerDeadline2020.org)), periodic blog entries on *Huffington Post*, content on social media outlets and other communication efforts. In order to change the conversation in breast cancer from the status quo to a focus on ending the disease, the public must be fully educated about the facts about breast cancer. NBCC's 31 Truths About Breast Cancer campaign and other informational resources provide the public with evidence-based factual guidance on issues related to breast cancer.

NBCC's expert staff analyze research studies and media coverage, and present the truth behind the news in order to educate the general public about the facts about breast cancer. In addition, NBCC leadership represents the breast cancer community, advocating on its behalf, serving on scientific, medical, and research bodies at the national and international levels.

*Catalytic Research Projects and Collaborations* - NBCC's Breast Cancer Deadline 2020<sup>®</sup>, is centered around strategic summits, catalytic workshops, and collaborative efforts with a multi-disciplinary and diverse group of stakeholders. This innovative approach challenges scientists to look at the disease in new ways and work collaboratively with advocates to develop strategic research plans that could have a significant impact on prevention and saving lives. The focus is on areas that have received inadequate attention by the research community.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Programs of NBCC include (Continued):*

NBCC has convened a number of summits on the catalytic Artemis Project® that focus on the topics of preventing metastasis and primary prevention. At these summits, participants articulate major issues that are ripe for further work and that would have a significant impact on breast cancer. Reports from these summits have set the stage for Artemis Projects and strategic plans. The plans will ensure that the appropriate research takes place, is translated to the clinic, and results in an end to breast cancer.

NBCC's first catalytic Artemis Project® is centered on a preventive vaccine for breast cancer. NBCC has brought together renowned experts in epidemiology, immunology, clinical cancer care, biotechnology and product development, advocacy, and the federal drug approval and regulatory processes. Participants have created a five-year strategic plan for a preventive vaccine in breast cancer.

The second Artemis Project® is examining the causes and prevention of metastasis with a focus on tumor dormancy. 2014 meetings further developed plans similar to that for the Artemis Project® for a preventive breast cancer vaccine.

*Public policy* - NBCC focuses its public policy advocacy on priorities that will increase funding for breast cancer research; provide access to high quality health care and clinical trials; and expand the influence of breast cancer advocates everywhere breast cancer decisions are made. NBCC works to be sure that policy decisions are based on scientific evidence and action that is most likely to further the mission of eradicating breast cancer and achieve Breast Cancer Deadline 2020® - knowing how to end breast cancer by January 1, 2020.

NBCC provides members of Congress and their staff up-to-date information about breast cancer and reports on research discoveries that impact policy and appropriations. Periodic Congressional forum focus on a specific breast cancer topic, present the science that drives the need for policy and give a constituent perspective.

*Grassroots advocacy field network development and support* - NBCC provides resources and support to member organizations nationwide and enhances education and training among diverse populations of breast cancer activists. Through NBCC's support of its membership and local networks, many more advocates are engaged in Breast Cancer Deadline 2020® and NBCC's work to end breast cancer. This expansive global network of activists plays a key role in educating and involving communities to ensure that the goals of Breast Cancer Deadline 2020® are achieved. NBCC's Emerging Leaders Initiative is aimed at engaging and training the next generation of breast cancer activists, ages 20 to 35, through online networking tools, webcasts, and conference calls.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Programs of NBCC include (Continued):*

*Other programs* - Through the Clinical Trials Initiative, NBCC works with the research community to involve breast cancer activists in all aspects of clinical trial design, implementation and oversight and increase the number of high quality trials conducted. NBCC's acclaimed publication, Guide to Quality Breast Cancer Care, is available free of charge on the NBCC website. The Guide provides information for patients to use when evaluating the quality of their health care and developing strategies for getting the best care available.

The operations of NBCC are primarily funded by grants, contributions, and special events.

*Income Taxes*

NBCC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

NBCC requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. NBCC does not believe its financial statements include, or reflect, any uncertain tax positions.

NBCC's Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service generally for three years after it is filed.

*Cash and Cash Equivalents*

NBCC considers all short-term investments with an original maturity of three months or less to be cash equivalents, excluding amounts held as investments.

*Pledges and Grants Receivable*

Pledges and grants receivable consist of amounts due for contributions from donors which were not received by NBCC at year end. The management of NBCC believes that all such amounts are fully collectible and no reserve for doubtful accounts has been established. Amounts receivable due in more than one year are discounted at 1.75%.

*Property and Equipment*

NBCC capitalizes all property and equipment acquisitions in excess of \$1,000. Property and equipment are recorded at cost, if purchased, or at fair value, at date of donation, if contributed. Depreciation of property and equipment is provided using the straight-line method over the estimated life of the asset.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Contributions*

NBCC reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Restricted contributions for which the restrictions are met in the year received are considered unrestricted for financial statement purposes. When a donor 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.

*In-Kind Contributions*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and are performed by people with those skills, and would otherwise be purchased by NBCC. During the year ended December 31, 2015, NBCC received donated legal fees of approximately \$20,000 of which approximately \$14,000 and \$6,000 related to the Public Information Communications and Outreach program and management and general services, respectively. In addition, NBCC received approximately \$3,000 of donated consulting services in connection with its Center for Advocacy Training program.

*Allocation of Functional Expenses*

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

*Prior Year Information*

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2014. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2014, from which the summarized information was derived.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that 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.

*Reclassifications*

Certain amounts for 2014 have been reclassified for comparative purposes.

NATIONAL BREAST CANCER COALITION FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

2. RELATED PARTY TRANSACTIONS

NBCC shares staff and board members with the National Breast Cancer Coalition (the Coalition), a nonprofit organization exempt under Internal Revenue Code Section 501(c)(4). NBCC is reimbursed by the Coalition for certain personnel, office expenses, and combined bills. NBCC incurred approximately \$351,000 of reimbursable expenses paid on behalf of the Coalition during 2015.

NBCC made a grant of \$300,000 to the Coalition for the year ended December 31, 2015. The grant to the Coalition was used for general lobbying expenses. The grant was made in accordance with NBCC's 501(h) election for the year.

3. PLEDGES AND GRANTS RECEIVABLE

Unconditional promises to give at December 31, 2015, are as follows:

<u>Description</u>	<u>Amount</u>
Pledges and Grants Receivable in Less Than One Year	\$ 1,422,017
Pledges and Grants Receivable in One to Five Years	1,166,000
Total Pledges and Grants Receivable	2,588,017
Less Discount to Present Value	(47,290)
Net Contributions and Grants Receivable	<u>\$ 2,540,727</u>

4. UNUSED LINE OF CREDIT AGREEMENT

NBCC maintains a \$300,000 revolving line of credit from a local bank. The line of credit expires on May 30, 2016. Substantially all of the assets of NBCC are used as collateral for the line of credit. The line of credit contains certain restrictive covenants. Interest is payable monthly based on the *Wall Street Journal's* minimum prime rate plus 2% with a floor of 6%. NBCC did not have any funds outstanding on the line of credit at December 31, 2015.

5. JOINT COST ALLOCATION

NBCC incurred joint costs in 2015 for informational materials that included fundraising appeals. The costs were allocated as follows:

<u>Description</u>	<u>Amount</u>
Program Services	\$ 17,460
Fundraising	3,294
Total	<u>\$ 20,754</u>

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6. RETIREMENT PLAN

NBCC maintains a 401(k) plan (the Plan). NBCC may elect to make an annual safe harbor contribution for all eligible employees. In addition, NBCC may make discretionary contributions. To be eligible employees must have attained age 21 and completed one year of service. Participants may elect to make voluntary contributions to the Plan. The total contribution under the Plan for the year ended December 31, 2015, was approximately \$27,000. NBCC's portion of the contribution was approximately \$23,000. NBCC was reimbursed by the Coalition for the remaining \$4,000 of the contribution.

7. CAPITAL LEASE

NBCC is the lessee of certain office equipment under a capital lease with a term of 60 months. NBCC is obligated under this lease through 2017. The asset and liability under the lease are recorded at the present value of the minimum lease payments. The asset is depreciated over the lesser of the estimated useful life or the lease term. Amortization of the asset under the lease is included in depreciation expense. The accumulated amortization as of December 31, 2015, was approximately \$22,000.

Minimum future lease payments under the lease as of December 31, 2015, are as follows:

For the Years Ending December 31,

2016	\$ 7,548
2017	<u>4,403</u>
Total Minimum Lease Payments	11,951
Less Amount Representing Interest	<u>(670)</u>
Present Value of Total Minimum Lease Payments	<u>\$ 11,281</u>

8. OPERATING LEASE

During 2014, NBCC entered into a lease (the Lease) for office space and is obligated under the Lease through 2022. Under the terms of the Lease, the base rent increases annually based on scheduled increases provided for in the Lease. The Lease included incentives of approximately 6.5 months of free rent and approximately \$355,000 to build out the office space. Under accounting principles generally accepted in the United States of America (GAAP), all rental payments, including fixed rent increases, are recognized on a straight-line basis over the term of the lease. Lease incentives are amortized over the life of the lease on a straight-line basis as an offset to rent expense. The difference between the GAAP rent expense and the required lease payments, as well as any unamortized lease incentives, are reflected as deferred rent in the accompanying statement of financial position.

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**8. OPERATING LEASE (CONTINUED)**

The following is a schedule of future minimum lease payments required under the above operating lease as of December 31, 2015:

For the Years Ending December 31,

2016	\$ 232,819
2017	238,640
2018	244,605
2019	250,721
2020	256,989
Thereafter	329,671
Total	\$ 1,553,445

Rent expense totaled approximately \$169,000 for the year ended December 31, 2015.

**9. COMMITMENTS**

As of December 31, 2015, NBCC has entered into agreements for services to provide accommodations for its events to be held through October 2016. The agreements contain clauses whereby NBCC is liable for liquidated damages in the event of cancellation. As of April 27, 2016, management of NBCC has estimated that the maximum possible amount of liquidated damages is approximately \$276,000. Management does not believe any cancellations under these contracts will occur.

NBCC has entered into a non-cancelable service contract with an internet services company through 2017. The future estimated commitment under this contract is approximately \$92,000 and is payable in quarterly installments.

**10. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets as of December 31, 2015, are available for the following purposes:

<u>Description</u>	<u>Amount</u>
Advocacy Conference	\$ 25,000
Artemis Project	736,874
Time Restriction - General Support for Future Periods	1,755,877
<b>Total Temporarily Restricted</b>	<b>\$ 2,517,751</b>

Net assets released from restrictions for the year ended December 31, 2015, were as follows:

<u>Description</u>	<u>Amount</u>
Clinical Trials/Research	\$ 3,017
Artemis Project	844,096
Time Restriction - General Support for Future Periods	608,885
<b>Total Releases</b>	<b>\$ 1,455,998</b>



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**11. CONCENTRATIONS**

As of December 31, 2015, three donors comprised approximately 94% of total pledges and grants receivable. Two events, the New York Gala and LA Cabaret, made up approximately 35% of total revenue for the year ended December 31, 2015. For the year ended December 31, 2015, approximately 21% of total revenue was received from one donor.

NBCC maintains a bank account at a financial institution located in Washington, D.C., which at times during the year exceeded the Federal Deposit Insurance Corporation limit. Management believes the risk in this situation to be minimal.

**12. SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 27, 2016, which is the date the financial statements were available to be issued.