

**NATIONAL BREAST CANCER  
COALITION FUND**

**AUDITED FINANCIAL STATEMENTS**

**December 31, 2013**

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To the Board of Directors  
National Breast Cancer Coalition Fund  
Washington, DC

Independent Auditor's Report

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, 2013, 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.

***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 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, 2013, 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.

Independent Auditor's Report  
National Breast Cancer Coalition Fund

**Report on Summarized Comparative Information**

We have previously audited NBCC's 2012 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated May 3, 2013. In our opinion, the summarized comparative information presented herein as and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Drolet + Associates, P.A.C.*

Washington, DC  
April 23, 2014

**NATIONAL BREAST CANCER COALITION FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2013**  
(With Summarized Financial Information for December 31, 2012)

	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 237,734	\$ 156,722
Pledges and grants receivable	1,339,380	1,008,940
Due from National Breast Cancer Coalition	6,979	-0-
Prepaid expenses	44,071	67,899
<b>TOTAL CURRENT ASSETS</b>	<b>1,628,164</b>	1,233,561
<b>PLEDGES AND GRANTS RECEIVABLE,</b> net of current portion	<b>3,066,264</b>	2,330,264
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and equipment	309,308	303,337
Software	20,702	20,702
Website	280,857	280,857
Leasehold improvements	40,327	40,327
Equipment under capital lease	31,951	31,951
	<b>683,145</b>	677,174
Less accumulated depreciation and amortization	<b>(634,096)</b>	(589,522)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>49,049</b>	87,652
<b>DEPOSITS</b>	<b>38,167</b>	38,167
<b>TOTAL ASSETS</b>	<b>\$ 4,781,644</b>	\$ 3,689,644

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**NATIONAL BREAST CANCER COALITION FUND**  
**STATEMENT OF FINANCIAL POSITION (Continued)**  
**December 31, 2013**  
(With Summarized Financial Information for December 31, 2012)

	2013	2012
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 615,635	\$ 750,050
Due to National Breast Cancer Coalition	-0-	2,659
Accrued expenses	51,879	130,652
Deferred rent	94,655	80,076
Accrued loss and deferred rent on sublease	31,639	-0-
Deposit payable	6,125	-0-
Line of credit	300,000	295,042
Obligation under capital lease	6,070	5,661
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,106,003</b>	<b>1,264,140</b>
<b>DEFERRED RENT</b> , net of current portion	<b>33,172</b>	<b>127,828</b>
<b>ACCRUED LOSS AND DEFERRED RENT ON SUBLEASE</b> , net of current portion	<b>9,701</b>	<b>-0-</b>
<b>OBLIGATION UNDER CAPITAL LEASE</b> , net of current portion	<b>17,790</b>	<b>23,860</b>
<b>TOTAL LIABILITIES</b>	<b>1,166,666</b>	<b>1,415,828</b>
<b>NET ASSETS (DEFICIT)</b>		
<b>UNRESTRICTED NET ASSETS (DEFICIT)</b>	<b>(929,541)</b>	<b>(1,218,174)</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Temporarily restricted by donor for purpose	1,238,255	1,701,990
Temporarily restricted, general support for future periods	3,306,264	1,790,000
<b>TOTAL TEMPORARILY RESTRICTED NET ASSETS</b>	<b>4,544,519</b>	<b>3,491,990</b>
<b>TOTAL NET ASSETS</b>	<b>3,614,978</b>	<b>2,273,816</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,781,644</b>	<b>\$ 3,689,644</b>

*The accompanying notes are an integral part of these financial statements.*

**NATIONAL BREAST CANCER COALITION FUND**  
**STATEMENT OF ACTIVITIES**  
**For The Year Ended December 31, 2013**  
(With Summarized Financial Information for the Year Ended December 31, 2012)

	Unrestricted	Temporarily Restricted	2013 Total	2012 Total
<b>REVENUES</b>				
Events	\$ 1,217,882		\$ 1,217,882	\$ 1,130,051
Less: Costs of direct benefits to donors	(297,302)		(297,302)	(259,814)
Grants and contributions	2,207,590	\$ 2,054,792	4,262,382	4,644,849
In-kind contributions	35,688		35,688	40,958
Honorarium	6,000		6,000	500
Dues	10,700		10,700	12,000
Conference registration	-0-		-0-	34,345
Interest and dividend income	859		859	1,134
Investment gains (losses)	439		439	(101)
Royalty income	329		329	1,479
Other income	14,020		14,020	20,805
Net assets released from restrictions	1,002,263	(1,002,263)	-0-	-0-
<b>TOTAL REVENUES</b>	<b>4,198,468</b>	<b>1,052,529</b>	<b>5,250,997</b>	<b>5,626,206</b>
<b>EXPENSES</b>				
<b>PROGRAMS</b>				
Education and training	1,259,681		1,259,681	1,728,631
Public information, communication and outreach	388,491		388,491	686,699
Catalytic research projects and collaborations	850,911		850,911	684,659
Public policy	432,594		432,594	630,276
Grassroots advocacy field network development and support	267,459		267,459	327,571
Other programs	32,632		32,632	71,191
<b>TOTAL PROGRAMS</b>	<b>3,231,768</b>		<b>3,231,768</b>	<b>4,129,027</b>
<b>MANAGEMENT AND GENERAL</b>	<b>294,364</b>		<b>294,364</b>	<b>328,472</b>
<b>FUNDRAISING</b>	<b>383,702</b>		<b>383,702</b>	<b>649,550</b>
<b>TOTAL EXPENSES</b>	<b>3,909,835</b>		<b>3,909,835</b>	<b>5,107,049</b>
<b>CHANGE IN NET ASSETS</b>	<b>288,633</b>	<b>1,052,529</b>	<b>1,341,162</b>	<b>519,157</b>
<b>NET ASSETS (DEFICIT) , BEGINNING OF YEAR</b>	<b>(1,218,174)</b>	<b>3,491,990</b>	<b>2,273,816</b>	<b>1,754,659</b>
<b>NET ASSETS (DEFICIT) , END OF YEAR</b>	<b>\$ (929,541)</b>	<b>\$ 4,544,519</b>	<b>\$ 3,614,978</b>	<b>\$ 2,273,816</b>

*The accompanying notes are an integral part of these financial statements.*

**NATIONAL BREAST CANCER COALITION FUND**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For The Year Ended December 31, 2013**  
(With Summarized Financial Information for the Year Ended December 31, 2012)

	Education and training	Public information, communication and outreach	Catalytic research and collaborations	Public policy	Grassroots advocacy field network development and support	Other programs	Total programs	Management and general	Fund- raising	2013 Total	2012 Total
Salaries	\$ 387,162	\$ 132,086	\$ 302,341	\$ 168,798	\$ 129,146	\$ 16,197	\$ 1,135,730	\$ 98,783	\$ 91,473	\$ 1,325,986	\$ 1,555,706
Payroll taxes	28,995	9,787	21,826	11,992	9,492	1,172	83,264	7,317	6,922	97,502	111,008
Retirement plan contributions	8,522	3,758	8,365	4,715	4,185	428	29,973	2,677	2,990	35,640	100,741
Other employee benefits	25,711	10,664	21,100	13,028	10,156	1,135	81,794	(879)	7,812	88,726	132,555
Consultants	145,679	44,795	112,032	75,742	18,801	3,486	400,535	19,108	104,332	523,975	947,681
Legal fees							-0-	30,189		30,189	45,699
Accounting fees							-0-	21,733		21,733	22,395
Staff development/recruitment	316	109	193	92	94	8	812	88	321	1,220	12,143
Printing/copying/design/graphic	20,837	18,915	4,541	3,372	1,311	1,475	50,451	8,995	39,969	99,415	162,343
Publications and subscriptions		5,440	436	10,898	1,083		17,857	1,000	6,011	24,868	38,809
Postage	10,719	9,488	2,113	1,060	1,579	648	25,607	5,318	11,703	42,629	86,115
Office supplies	8,759	584	911	498	491	38	11,281	2,164	777	14,223	18,397
Meetings and events	235,906	3,540	155,491	18,238	9,118	20	422,313	6,834	5,682	434,830	554,132
Scholarships	61,814						61,814			61,814	98,696
Occupancy	197,231	72,201	124,050	58,147	63,508	5,431	520,568	44,359	51,226	616,153	620,735
Telecommunications	29,169	32,601	34,185	8,647	10,900	797	116,299	5,934	16,158	138,390	137,011
Depreciation and amortization	13,842	5,148	8,852	3,779	4,559	365	36,545	4,404	3,626	44,575	90,013
Equipment	2,316	823	1,437	667	707	61	6,011	418	555	6,985	4,129
Travel	74,482	31,856	47,049	7,841	27	1,175	162,430	1,643	483	164,556	168,018
Insurance	5,422	1,904	3,305	1,522	1,613	148	13,914	1,566	1,304	16,784	16,401
Public relations and advertising		364					364			364	1,999
Dues and fees	1,990	3,893	2,684	3,558	672	48	12,845	1,032	9,234	23,111	23,411
Direct mail expense		535					535	2,466	1,475	4,477	15,326
Grants				40,000			40,000			40,000	87,500
Bad debt							-0-	7,755		7,755	-0-
Bank fees	809				17		826	1,092	21,650	23,568	25,953
Interest							-0-	20,367		20,367	30,133
<b>TOTAL EXPENSES</b>	<b>\$ 1,259,681</b>	<b>\$ 388,491</b>	<b>\$ 850,911</b>	<b>\$ 432,594</b>	<b>\$ 267,459</b>	<b>\$ 32,632</b>	<b>\$ 3,231,768</b>	<b>\$ 294,364</b>	<b>\$ 383,702</b>	<b>\$ 3,909,835</b>	<b>\$ 5,107,049</b>

*The accompanying notes are an integral part of these financial statements.*



**NATIONAL BREAST CANCER COALITION FUND**  
**STATEMENT OF CASH FLOWS**  
**For The Year Ended December 31, 2013**  
(With Summarized Financial Information for the Year Ended December 31, 2012)

	2013	2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>CHANGE IN NET ASSETS</b>	<b>\$ 1,341,162</b>	<b>\$ 519,157</b>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	44,574	90,014
(Gain) loss on investments	(439)	101
Increase in pledges and grants receivable	(1,066,440)	(962,430)
(Increase) decrease in due from National Breast Cancer Coalition	(6,979)	56,898
Decrease in prepaid expenses	23,828	33,142
(Decrease) increase in accounts payable	(134,415)	485,665
(Decrease) increase in due to National Breast Cancer Coalition	(2,659)	2,659
(Decrease) increase in accrued expenses	(78,773)	121
Decrease in deferred revenue	-0-	(1,880)
Decrease in deferred rent	(80,077)	(64,448)
Increase in deferred sublease rent	41,340	-0-
Increase in deposit payable	6,125	-0-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>87,247</b>	<b>158,999</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases or property and equipment	(5,971)	-0-
Donated investment received	(50,162)	(31,932)
Proceeds from sales of donated investments	50,601	37,545
<b>NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES</b>	<b>(5,532)</b>	<b>5,613</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings on line of credit	154,958	600,000
Repayments on line of credit	(150,000)	(754,958)
Repayments of capital lease obligation	(5,661)	(9,146)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(703)</b>	<b>(164,104)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>81,012</b>	<b>508</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>156,722</b>	<b>156,214</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 237,734</b>	<b>\$ 156,722</b>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest paid	\$ 20,367	\$ 30,133
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
During the year ended December 31, 2012, NBCC entered into a capital lease agreement for office equipment valued at approximately \$32,000.		

*The accompanying notes are an integral part of these financial statements.*

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

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**NOTE A - 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 (Continued)**  
**December 31, 2013**

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**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**Organization**  
**(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. Project LEAD graduates who reside outside of the United States receive ongoing education and networking opportunities through the Beyond Borders Breast Cancer Project. 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 HuffingtonPost, 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.

In NBCC's Beyond the Headlines program, 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.

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

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**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**Organization**  
**(Continued)**

*Catalytic Research Projects & Collaborations* – NBCC’s new initiative, 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.

NBCC has convened two summits, one each on the topics of preventing metastasis and primary prevention. At these summits, participants began articulating 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 a series of additional Artemis Projects and strategic plans similar to the work being done on a preventive vaccine. 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<sup>®</sup> 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<sup>®</sup> is examining the causes and prevention of metastasis with a focus on tumor dormancy. An exploratory meeting was held in 2013 which laid the groundwork for a process and plan similar to that for the Artemis Project<sup>®</sup> 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<sup>®</sup> – knowing how to end breast cancer by January 1, 2020.

One aspect of NBCC’s work in this area is a series of very well-attended Congressional Forums on Capitol Hill designed to educate policymakers on issues vital to the breast cancer community.

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. Each forum focuses on a specific breast cancer topic, presents the science that drives the need for policy and gives a constituent perspective.

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

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**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**Organization**  
**(Continued)**

*Grassroots advocacy field network development & 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<sup>®</sup> 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<sup>®</sup> are achieved. NBCC’s newest advocacy program, the 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.

*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 Quality Care Initiative aims to increase access to and improve the quality of breast cancer care for everyone. 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 Returns 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.

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

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**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**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 from 1% to 4%.

**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.

**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, 2013, NBCC received donated legal fees of approximately \$28,000 related to management and general services, and approximately \$8,000 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, 2012. 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, 2012, from which the summarized information was derived.

**Reclassifications**

Certain amounts for 2012 have been reclassified for comparative purposes.

**NATIONAL BREAST CANCER COALITION FUND  
NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2013**

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**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**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.

**NOTE B - 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 \$83,000 of reimbursable expenses paid on behalf of the Coalition during 2013. In addition, the Coalition incurred approximately \$1,000 of reimbursable expenses paid on behalf of NBCC during 2013.

NBCC made a grant of \$40,000 to the Coalition for the year ended December 31, 2013. 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.

**NOTE C – PLEDGES AND GRANTS RECEIVABLE**

Unconditional promises to give at December 31, 2013 are as follows:

<i>December 31,</i>	<b>Amount</b>
Pledges and grants receivable in less than one year	<b>\$ 1,339,380</b>
Pledges and grants receivable in one to five years	<b>3,166,000</b>
Total pledges and grants receivable	<b>4,505,380</b>
Less discount to present value	<b>(99,736)</b>
Net contributions and grants receivable	<b>\$ 4,405,644</b>

**NOTE D - LINE OF CREDIT AGREEMENT**

NBCC maintains a \$300,000 revolving line of credit from a local bank. The line of credit expires on November 30, 2014. 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 7%.

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

**NOTE E - COMMITMENTS**

As of December 31, 2013, NBCC has entered into an agreement for services to provide accommodations for its event to be held in May 2014. The agreement contains a clause whereby NBCC is liable for liquidated damages in the event of cancellation. As of April 23, 2014, management of NBCC has estimated that the maximum possible amount of liquidated damages is approximately \$152,000. 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 2015. The future estimated commitment under this contract is approximately \$77,000 and is payable in quarterly installments.

**NOTE F - 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. NBCC's contribution under the Plan for the year ended December 31, 2013 was approximately \$37,000. NBCC's portion of the contribution was approximately \$36,000. NBCC was reimbursed by the Coalition for the remaining \$1,000 of the contribution.

**NOTE G – 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, 2013 was approximately \$9,000.

Minimum future lease payments under the lease as of December 31, 2013 are as follows:

<i>Year Ending December 31,</i>	<b>Amount</b>
2014	<b>\$ 7,548</b>
2015	<b>7,548</b>
2016	<b>7,548</b>
2017	<b>4,403</b>
<b>Total minimum lease payments</b>	<b>27,047</b>
<b>Less amount representing interest</b>	<b>(3,187)</b>
<b>Present value of total minimum lease payments</b>	<b>\$ 23,860</b>



**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

**NOTE H - OPERATING LEASE**

In November 2003, NBCC entered into an operating lease for office space located at 1101 17<sup>th</sup> Street, NW, Washington, D.C. which expires in April 2015. The lease included incentives of six months of free rent and payments to reimburse NBCC for moving expense totaling approximately \$75,000. 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. During the year ended December 31, 2013 NBCC entered into an agreement to sublease a portion of its office space through April 2015. Under the terms of the sublease, the sublease rent is less than the original lease which has resulted in a loss of approximately \$82,000 which is included in occupancy expense. As of December 31, 2013 the accrued loss balance is approximately \$48,000. For the year ended December 31, 2013 the rent expense was net of sublease revenue received of approximately \$58,000.

The following is a schedule of future minimum lease payments required under the above operating lease as of December 31, 2013:

<i>Year Ending December 31,</i>	<b>Amount</b>
2014	<b>\$ 662,519</b>
2015	<b>222,472</b>
<b>Total</b>	<b>\$ 884,991</b>

Total minimum future rental payments have not been reduced by approximately \$102,000 of sublease rentals to be received in the future under a non-cancelable sublease.

**NOTE I - JOINT COST ALLOCATION**

NBCC incurred joint costs in 2013 for informational materials that included fundraising appeals. The costs were allocated as follows:

<b>Description</b>	<b>Amount</b>
Program services	<b>\$ 28,972</b>
Management and general	<b>8,776</b>
Fundraising	<b>120,763</b>
<b>Total</b>	<b>\$ 158,511</b>

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

**NOTE J - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets as of December 31, 2013 are available for the following purposes:

<b>Description</b>	<b>Amount</b>
Advocacy conference	\$ 20,000
Artemis project	1,068,255
Online Center for Advocacy Training	150,000
Time restriction -general support for future periods	3,306,264
<b>Total temporarily restricted</b>	<b>\$ 4,544,519</b>

Net assets released from restrictions for the year ended December 31, 2013 were as follows:

<b>Description</b>	<b>Amount</b>
Project LEAD	\$ 250,000
Advocacy conference	20,000
Artemis project	525,263
Time restriction -general support for future periods	207,000
<b>Total releases</b>	<b>\$ 1,002,263</b>

**NOTE K - CONCENTRATIONS**

As of December 31, 2013, four donors comprised approximately 93% of total pledges and grants receivable. Two events, the New York Gala and LA Cabaret, made up approximately 23% of total revenue for the year ended December 31, 2013. For the year ended December 31, 2013, approximately 40% of total revenue was received from one donor.

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

**NATIONAL BREAST CANCER COALITION FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2013**

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**NOTE L- MANAGEMENT PLANS**

As indicated in the accompanying financial statements, NBCC has a deficit in unrestricted net assets as of December 31, 2013 of approximately \$930,000. However management believes its plans mitigate the effects of this condition and alleviate any substantial doubt about NBCC's ability to continue as a going concern.

In 2012, the management of NBCC developed and implemented a plan to reduce expenses, increase cash flow and ensure financial stability. This plan to reduce expenses and increase cash flow continues into 2014 and will be accomplished by the following:

- The expense budget for 2014 has been reduced for facilities, personnel, and benefits, and use of outside consultants.
- NBCC secured a subtenant for a portion of its office.
- Management is currently in negotiations to obtain a new office lease for reduced space which will significantly reduce occupancy expenses.
- Reduced employer contributions to the 401k plan.
- Management and the Board of Directors continue to regularly review and monitor NBCC's finances.
- Continued efforts are being made to ensure that fundraising goals are met, specifically related to general support.
- Subsequent to year end the line of credit was paid off and the accounts payable balance was reduced. The line of credit can be drawn upon as needed.

**NOTE M - SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 23, 2014, which is the date the financial statements were available to be issued.