



Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Financial Statements and Independent Auditors' Report Year Ended December 31, 2015

Morse & Company, LLP
Certified Public Accountants
505 8th Avenue, Suite 1801
New York, NY 10018-4527
(212) 765-2200

**Long Island 2 Day Walk to
Fight Breast Cancer, Inc.**

**Financial Statements
and Independent Auditors' Report**
Year Ended December 31, 2015

Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Contents

Independent auditors' report	3
Financial statements:	
Statement of financial position	4
Statement of activities	5
Statement of functional expenses	6
Statement of cash flows	7
Notes to financial statements	8-11

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Independent Auditors' Report

Board of Directors
Long Island 2 Day Walk to Fight Breast Cancer, Inc.
Neconset, New York 11767

We have audited the accompanying statement of financial position of Long Island 2 Day Walk to Fight Breast Cancer, Inc. ("LI2Day" a not-for-profit corporation) as of December 31, 2015 and 2014, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of LI2Day's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LI2Day's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LI2Day as of December 31, 2015 and 2014 and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.



August 10, 2016

LONG ISLAND TWO DAY WALK TO FIGHT BREAST CANCER, INC.
Statement of Financial Position

<i>December 31,</i>	2015	2014
Assets		
Current Assets		
Cash and cash equivalents (Note 3).....	\$ 89,375	\$ 134,967
Total Current Assets		
	89,375	134,967
Property and equipment, net (Note 2).....	2,262	4,921
Total Assets		
	91,637	139,888
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses.....	\$ 7,500	7,500
Total liabilities		
	7,500	7,500
Commitments and contingencies (Notes 3, 4, and 5)		
Net Assets		
Unrestricted.....	20,478	101,951
Temporarily Restricted (Note 4).....	63,659	30,436
Total net assets		
	84,137	132,387
Total Liabilities and Net Assets		
	\$ 91,637	\$ 139,887

See accompanying notes to financial statements.

LONG ISLAND TWO DAY WALK TO FIGHT BREAST CANCER, INC.
Statement of Activities

<i>Year ended December 31,</i>	Unrestricted	Temporarily Restricted	Totals	
			2015	2014
Support and revenues (Note 3):				
Gross proceeds from walk event..... \$	101,794	\$ 432,814	\$ 534,607	\$ 608,190
(net of direct expenses of 36,253 and 53,109)				
Sponsored events.....	31,185	-	31,185	30,337
Interest income.....	587	-	587	980
Other Income.....	808	-	808	2,128
Net assets released from restrictions.....	490,500	(490,500)	-	-
Total support and revenues	624,875	(57,686)	567,189	641,635
Expenses:				
Program services.....	514,458	-	514,458	568,220
Management and general.....	63,147	-	63,147	71,242
Fundraising.....	37,833	-	37,833	64,650
Total expenses	615,438	-	615,438	704,112
Change in net assets.....	9,436	(57,686)	(48,249)	(62,477)
Net assets, beginning of year.....	11,042	121,345	132,387	194,864
Net assets, end of year	\$ 20,478	\$ 63,659	\$ 84,138	\$ 132,387

See accompanying notes to financial statements.

LONG ISLAND TWO DAY WALK TO FIGHT BREAST CANCER, INC.
Statement of Functional Expense

	Program Services	Management and General	Fundraising	2015 Totals	2014 Totals
Salaries and benefits.....	\$ 59,558	\$ 32,486	\$ 16,243	\$ 108,287	\$ 62,693
Awards, grants, and scholarships.....	418,500	-	-	418,500	539,000
Sponsored event expenses.....	30,751	-	-	30,751	16,167
Professional fees.....	-	7,500	-	7,500	25,500
Equipment rentals.....	1,123	-	2,619	3,742	3,477
Insurance.....	-	2,387	-	2,387	2,156
Travel.....	561	-	3,178	3,739	3,000
Conferences.....	531	-	3,011	3,542	3,942
Telephone and IT.....	2,491	6,641	7,472	16,604	11,048
Supplies.....	380	1,013	1,140	2,533	1,615
Printing and production.....	-	200	300	500	-
Postage and delivery.....	71	190	213	474	387
Advertising.....	-	-	2,172	2,172	19,239
Bank and credit card fees.....	-	11,410	-	11,410	11,557
Depreciation.....	399	1,064	1,197	2,660	2,845
Miscellaneous.....	93	256	288	637	1,486
	<u>\$ 514,458</u>	<u>\$ 63,147</u>	<u>\$ 37,833</u>	<u>\$ 615,438</u>	<u>\$ 704,112</u>

See accompanying notes to financial statements.

LONG ISLAND TWO DAY WALK TO FIGHT BREAST CANCER, INC.
Statement of Cash Flows

<i>Year ended December 31,</i>	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ (48,249)	\$ (62,477)
<u>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</u>		
Depreciation.....	2,657	2,845
<u>Changes in operating assets and liabilities:</u>		
Fixed asset additions.....	-	(1,117)
Net change in cash	(45,592)	(60,749)
Cash and cash equivalents, beginning of year.....	134,967	195,716
Cash and cash equivalents, end of year.....	\$ 89,375	\$ 134,967

See accompanying notes to financial statements.

Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Long Island 2 Day Walk to Fight Breast Cancer, Inc. (hereinafter “LI2Day”) is presented to assist in understanding LI2Day’s financial statements. The financial statements and notes are representations of LI2Day’s management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization: LI2DAY was organized to raise awareness and funds for breast cancer and other cancer research, to benefit cancer sufferers, survivors, and their families, and to support organizations that are participating in such efforts.

Income Tax Status: LI2Day is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and is publicly supported, as described in section 50(a). LI2Day is also exempt from state and local taxes. LI2Day evaluated for uncertain tax positions and has determined that there were no uncertain tax provisions for 2015

LI2Day files an IRS form 990 and respective state and local tax returns. These returns are subject to review and examination by federal, state, and local authorities. LI2Day has determined that it has registered in all states where it is required to be registered.

Basis for Accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Revenue Recognition: LI2Day recognizes revenue from foundations and corporate grants in the period these grants are pledged. Revenue received under these foundation and corporate grants is unrestricted as to use. All other contributions are recognized as revenue upon receipt of cash.

Financial Statement Presentation: The classification of a not-for-profit organization’s net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

These classes are defined as follows:

- (i) **Permanently Restricted** – Net assets resulting from contributions and other inflows of assets whose use by The Institute is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Institute.
- (ii) **Temporarily Restricted** – Net assets resulting from contributions and other inflows of assets whose use by the Institute is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Institute pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities.
- (iii) **Unrestricted** – The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

Restricted Cash: LI2Day considers all temporarily restricted cash held for scholarships and/or walk funds as restricted cash.

Contributions: Contributions are recognized when the donor makes a promise to give to LI2Day that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Walk Event: LI2Day holds an annual walk event to provide revenue to be distributed to Long Island-based organizations to benefit individuals affected by breast cancer. Revenue raised by the participants from this event is recorded as temporarily restricted at the time each event takes place. All of the walker-raised donations are distributed to annually-designated beneficiary organizations and the LI2Day Scholarship Fund. All other revenue is considered as unrestricted revenue, unless restricted by donor. Costs incurred for which a donor receives a direct benefit have been offset against revenue earned. Other costs related to the event for which the donor does not receive a direct benefit are included within fundraising costs.

Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Special Events: LI2Day holds fundraising events to provide support for its operations. Revenue from these events is recorded at the time each event takes place. Costs incurred for which a donor receives a direct benefit have been offset against the revenue earned. Other costs related to the event for which the donor does not receive a direct benefit are included within fundraising costs.

Advertising: LI2Day uses advertising to promote its programs and events. The production costs of advertising are expensed as funds are disbursed.

Use of Estimates: The presentation 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from these estimates.

Property and Equipment: Property and equipment are stated at cost. Those assets by gift are carried at fair market value established at the date of acquisition.

Depreciation expense is computed using the straight-line method over the equipment's estimated useful life of three years.

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

Events Occurring After Report Date: LI2Day has evaluated events and transactions that occurred between January 1, 2016 and August 10, 2016, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

Long Island 2 Day Walk to Fight Breast Cancer, Inc.

Notes to Financial Statements

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<i>Year ended December 31, 2015</i>	
Equipment	\$ 7,982
Vehicle	13,295
Less: Accumulated depreciation	(19,015)
Net Property and Equipment	\$ 2,262

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

LI2Day generated approximately 94% of its revenue for the year ended December 31, 2015 from its annual walk event held on Long Island.

NOTE 4 – RESTRICTED NET ASSETS

Net assets were temporarily restricted for the following purposes:

<i>Year ended December 31, 2015</i>	
Scholarships	\$ 17,000
Revenue to be distributed to Long Island- Based organizations	46,659
Total temporarily restricted net assets	\$ 63,659

Funds for scholarship program have been included within restricted cash on the accompanying statement of financial position as they are expected to be utilized for short-term purposes.