



FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015



LITTLE RED DOOR CANCER AGENCY, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Little Red Door Cancer Agency, Inc.
Indianapolis, Indiana

We have audited the accompanying financial statements of Little Red Door Cancer Agency, Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets, 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 of 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 Little Red Door Cancer Agency, Inc. as of December 31, 2016 and 2015 and the changes in net assets, functional expenses, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Aludy CPA Group

June 27, 2017

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2016 AND 2015

	<u>ASSETS</u>	
	<u>2016</u>	<u>2015</u>
Assets:		
Cash	\$ 317,695	\$ 74,599
Grants receivable	96,206	91,337
Pledges receivable, net of allowance for uncollectible accounts of \$2,500	34,644	26,994
Prepaid expenses	3,754	14,111
Investments	2,466,619	2,490,648
Property and equipment, net	256,926	308,430
Beneficial interest in assets held by others	<u>555,805</u>	<u>558,909</u>
 Total assets	 <u>\$ 3,731,649</u>	 <u>\$ 3,565,028</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Line of credit	\$ 261,782	\$ 440
Accounts payable	92,740	50,743
Accrued expenses	60,487	62,108
United Way Maintenance Reserve	<u>6,192</u>	<u>6,192</u>
Total liabilities	<u>421,201</u>	<u>119,483</u>
 Net Assets:		
Unrestricted net assets	2,159,782	2,326,130
Temporarily restricted net assets	552,858	518,503
Permanently restricted net assets	<u>597,808</u>	<u>600,912</u>
Total net assets	<u>3,310,448</u>	<u>3,445,545</u>
 Total liabilities and net assets	 <u>\$ 3,731,649</u>	 <u>\$ 3,565,028</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
Support and Revenues:					
Contributions and grants	\$ 821,092	\$ 580,021	\$ -0-	\$ 1,401,113	\$ 1,466,606
Capital Campaign	-0-	85,000	-0-	85,000	-0-
United Way of Central Indiana, Inc.	193,435	-0-	-0-	193,435	197,362
In-kind contributions	32,596	-0-	-0-	32,596	67,473
Net change in beneficial interest in assets held by others	-0-	-0-	(3,104)	(3,104)	(44,637)
	<u>1,047,123</u>	<u>665,021</u>	<u>(3,104)</u>	<u>1,709,040</u>	<u>1,686,804</u>
Other Income:					
Interest and investment income (loss), net	108,505	-0-	-0-	108,505	(75,563)
Other income	1,337	-0-	-0-	1,337	17,789
	<u>109,842</u>	<u>-0-</u>	<u>-0-</u>	<u>109,842</u>	<u>(57,774)</u>
Total support and revenues	1,156,965	665,021	(3,104)	1,818,882	1,629,030
Temporarily Restricted Net Assets Released from Restrictions					
	<u>630,666</u>	<u>(630,666)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u>1,787,631</u>	<u>34,355</u>	<u>(3,104)</u>	<u>1,818,882</u>	<u>1,629,030</u>
Expenses:					
Program Services:					
Screening and detection	318,049	-0-	-0-	318,049	416,711
Client services	659,265	-0-	-0-	659,265	687,273
Education	239,911	-0-	-0-	239,911	258,378
Camp Little Red Door	91,583	-0-	-0-	91,583	113,016
Client navigation	116,862	-0-	-0-	116,862	52,608
Indiana Cancer Consortium	143,923	-0-	-0-	143,923	4,033
Total program services	1,569,593	-0-	-0-	1,569,593	1,532,019
Management and general	148,287	-0-	-0-	148,287	155,805
Fundraising	236,099	-0-	-0-	236,099	243,445
Total expenses	<u>1,953,979</u>	<u>-0-</u>	<u>-0-</u>	<u>1,953,979</u>	<u>1,931,269</u>
Change in net assets	(166,348)	34,355	(3,104)	(135,097)	(302,239)
Net Assets, Beginning of Year	<u>2,326,130</u>	<u>518,503</u>	<u>600,912</u>	<u>3,445,545</u>	<u>3,747,784</u>
Net Assets, End of Year	<u>\$ 2,159,782</u>	<u>\$ 552,858</u>	<u>\$ 597,808</u>	<u>\$ 3,310,448</u>	<u>\$ 3,445,545</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenues:				
Contributions and grants	\$ 796,426	\$ 670,180	\$ -0-	\$ 1,466,606
United Way of Central Indiana, Inc.	197,362	-0-	-0-	197,362
In-kind contributions	67,473	-0-	-0-	67,473
Net change in beneficial interest in assets held by others	-0-	-0-	(44,637)	(44,637)
	<u>1,061,261</u>	<u>670,180</u>	<u>(44,637)</u>	<u>1,686,804</u>
Other Income:				
Interest and investment income, net	(75,563)	-0-	-0-	(75,563)
Other income	17,789	-0-	-0-	17,789
	<u>(57,774)</u>	<u>-0-</u>	<u>-0-</u>	<u>(57,774)</u>
Total support and revenues	1,003,487	670,180	(44,637)	1,629,030
Temporarily Restricted Net Assets Released from Restrictions				
	<u>619,362</u>	<u>(619,362)</u>	<u>-0-</u>	<u>-0-</u>
	<u>1,622,849</u>	<u>50,818</u>	<u>(44,637)</u>	<u>1,629,030</u>
Expenses:				
Program Services:				
Screening and detection	416,711	-0-	-0-	416,711
Client services	687,273	-0-	-0-	687,273
Education	258,378	-0-	-0-	258,378
Camp Little Red Door	113,016	-0-	-0-	113,016
Client navigation	52,608	-0-	-0-	52,608
Indiana Cancer Consortium	4,033	-0-	-0-	4,033
Total program services	1,532,019	-0-	-0-	1,532,019
Management and general	155,805	-0-	-0-	155,805
Fundraising	243,445	-0-	-0-	243,445
Total expenses	<u>1,931,269</u>	<u>-0-</u>	<u>-0-</u>	<u>1,931,269</u>
Change in net assets	(308,420)	50,818	(44,637)	(302,239)
Net Assets, Beginning of Year	<u>2,634,550</u>	<u>467,685</u>	<u>645,549</u>	<u>3,747,784</u>
Net Assets, End of Year	<u>\$ 2,326,130</u>	<u>\$ 518,503</u>	<u>\$ 600,912</u>	<u>\$ 3,445,545</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	Program Services						Management and General	Fundraising	2016 Total	2015 Total
	Screening and Detection	Client Services	Education	Camp Little Red Door	Client Navigation	Indiana Cancer Consortium				
Labor and benefits:										
Salaries	\$ 195,956	\$ 171,275	\$ 111,782	\$ 60,481	\$ 30,882	\$ 98,664	\$ 74,256	\$ 96,484	\$ 839,780	\$ 747,334
Employee benefits and payroll taxes	33,115	33,481	21,566	9,402	17,693	15,419	22,277	15,657	168,610	166,549
Total labor and benefits	229,071	204,756	133,348	69,883	48,575	114,083	96,533	112,141	1,008,390	913,883
Other Expenses:										
Training and conferences	-0-	284	67	-0-	1,292	-0-	428	1,639	3,710	12,633
Employment costs	-0-	30	-0-	-0-	175	175	2,214	-0-	2,594	734
Travel	38	448	2,153	161	209	4,602	4,967	8,164	20,742	20,691
Client services	42,131	284,406	2,538	-0-	-0-	6,532	-0-	55	335,662	429,005
Programming supplies	-0-	245	1,184	-0-	5,844	382	-0-	-0-	7,655	11,029
Volunteer appreciation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	287	287	455
Office expense	2,964	6,221	4,703	56	6,882	113	6,047	1,292	28,278	29,818
Printed materials	-0-	1,561	6,986	2,009	263	4,770	5,359	6,598	27,546	27,080
Business insurance	2,083	9,940	2,777	-0-	4,860	-0-	-0-	-0-	19,660	14,660
Conferences and meetings	71	142	94	2,708	165	11,279	256	14,775	29,490	19,226
Professional fees	3,841	96,583	18,609	-0-	8,962	350	15,762	44,170	188,277	96,446
Advertising costs	2	1,329	5,041	-0-	5	500	75	10,389	17,341	12,020
Events	-0-	1,186	35,314	9,501	-0-	-0-	100	30,310	76,411	106,751
Facility costs	7,947	14,533	10,694	261	16,139	1,137	802	312	51,825	53,106
Information technology	8,167	16,783	11,356	-0-	18,997	-0-	1,112	891	57,306	74,287
Other costs	68	143	97	-0-	161	-0-	7,762	-0-	8,231	44,482
Depreciation	21,666	20,675	4,950	7,004	4,333	-0-	6,870	5,076	70,574	64,963
Total expenses	<u>\$ 318,049</u>	<u>\$ 659,265</u>	<u>\$ 239,911</u>	<u>\$ 91,583</u>	<u>\$ 116,862</u>	<u>\$ 143,923</u>	<u>\$ 148,287</u>	<u>\$ 236,099</u>	<u>\$ 1,953,979</u>	<u>\$ 1,931,269</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2015

	Screening & Detection	Client Services	Education	Camp Little Red Door	Client Navigation	Indiana Cancer Consortium	Management and General	Fundraising	2016 Total
Labor and benefits:									
Salaries	\$ 189,477	\$ 197,055	\$ 110,178	\$ 50,061	\$ 31,109	\$ 1,433	\$ 71,034	\$ 96,987	\$ 747,334
Employee benefits and payroll taxes	<u>42,736</u>	<u>50,462</u>	<u>23,587</u>	<u>-0-</u>	<u>7,320</u>	<u>-0-</u>	<u>21,341</u>	<u>21,103</u>	<u>166,549</u>
Total labor and benefits	232,213	247,517	133,765	50,061	38,429	1,433	92,375	118,090	913,883
Other Expenses:									
Training and conferences	54	-0-	5,472	1,333	-0-	-0-	5,614	160	12,633
Employment costs	-0-	-0-	-0-	34	-0-	-0-	700	-0-	734
Travel	93	223	8,146	48	46	-0-	4,066	8,069	20,691
Client services	109,964	307,024	11,922	-0-	-0-	-0-	95	-0-	429,005
Programming supplies	-0-	1,368	5,250	63	4,348	-0-	-0-	-0-	11,029
Volunteer appreciation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	455	455
Office expense	7,051	5,918	4,187	1,868	1,327	297	4,940	4,230	29,818
Printed materials	-0-	340	8,679	1,058	-0-	-0-	11,592	5,411	27,080
Business insurance	4,244	3,514	1,991	1,125	799	219	1,127	1,641	14,660
Conferences and meetings	-0-	-0-	79	102	-0-	-0-	330	18,715	19,226
Professional fees	5,245	63,914	16,654	1,390	987	270	2,998	4,988	96,446
Advertising costs	-0-	-0-	6,250	-0-	-0-	-0-	374	5,396	12,020
Events	-0-	-0-	37,628	38,214	-0-	-0-	100	30,809	106,751
Facility costs	14,893	12,246	7,534	4,371	2,747	739	4,371	6,205	53,106
Information technology	20,851	17,262	9,843	5,525	3,923	1,075	7,426	8,382	74,287
Other costs	15	12	5	7,824	2	-0-	10,927	25,697	44,482
Depreciation	<u>22,088</u>	<u>27,935</u>	<u>973</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>8,770</u>	<u>5,197</u>	<u>64,963</u>
Total expenses	<u>\$ 416,711</u>	<u>\$ 687,273</u>	<u>\$ 258,378</u>	<u>\$ 113,016</u>	<u>\$ 52,608</u>	<u>\$ 4,033</u>	<u>\$ 155,805</u>	<u>\$ 243,445</u>	<u>\$ 1,931,269</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ (135,097)	\$ (302,239)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	70,573	64,963
Allowance for doubtful accounts	-0-	(7,500)
Net realized and unrealized (gain) loss on investments	(92,682)	98,537
Net change in beneficial interest in assets held by others	3,104	44,637
Changes in operating assets and liabilities:		
Grants receivable	(4,869)	(3,280)
Pledges receivable	(7,650)	45,226
Prepaid expenses	10,357	(5,861)
Accounts payable	41,997	(44,312)
Accrued expenses	<u>(1,621)</u>	<u>37,056</u>
Net cash used in operating activities	<u>(115,888)</u>	<u>(72,773)</u>
Cash Flows from Investing Activities:		
Purchase of investments	(48,221)	(51,193)
Proceeds received from sale of investments	164,932	161,166
Capital expenditures	<u>(19,069)</u>	<u>(19,739)</u>
Net cash provided by investing activities	<u>97,642</u>	<u>90,234</u>
Cash Flows from Financing Activities:		
Borrowings under line of credit, net	<u>261,342</u>	<u>440</u>
Net increase in cash	243,096	17,901
Cash, Beginning of Year	<u>74,599</u>	<u>56,698</u>
Cash, End of Year	<u>\$ 317,695</u>	<u>\$ 74,599</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	<u>\$ 7,762</u>	<u>\$ 5,482</u>

See accompanying Notes to Financial Statements.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

1. SIGNIFICANT ACCOUNTING POLICIES

Little Red Door Cancer Agency, Inc. ("LRD"), was founded in 1945 to facilitate support services, screening, detection and education to the medically indigent, underserved, and uninsured population of greater Indianapolis.

LRD's primary programs include the following:

Screening and Detection - Facilitate screenings and follow up assistance for the detection of cervical, prostate, and breast cancer;

Client Services - Facilitate transportation to and from treatment, medical supplies, nutritional supplements, wigs and turbans, breast prosthesis, support groups, and client referrals;

Education - Provide educational programs and materials on cancer, cancer risks and the importance of a healthy lifestyle;

Camp Little Red Door - Provide a week-long camp for Indiana children ages 8 to 18 surviving cancer;

Client Navigation - Provide information about and guidance to resources and services for clients with cancer;

Indiana Cancer Consortium - Provide a statewide network coordinating education, detection, treatment, quality of life, data, and advocacy for cancer in Indiana (Note 11).

LRD served 30,682 clients in 2016. Of the 30,682 in 2016, 2,310 received direct services and 28,372 benefited from outreach and educational services. LRD achieved 113% of their goal in 2016.

LRD served 30,941 clients in 2015. Of the 30,941 in 2015, 2,544 received direct services and 28,397 benefited from outreach and educational services. LRD achieved 125% of their goal in 2015.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

The significant accounting policies followed by LRD in the preparation of its financial statements are summarized below:

Basis of Presentation

Net assets, support, revenue and expenses are classified based on the existence or absence of donor-imposed restrictions. Unrestricted assets are net assets not subject to donor-imposed restrictions and are, therefore, available to support the general operations of LRD. Temporarily restricted net assets are net assets subject to donor-imposed restrictions related to specific projects, the passage of time, or the occurrence of certain events. Permanently restricted net assets are those net assets held in perpetuity. The net income from these investments and all non-restricted contributions are available for release to the unrestricted fund.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts in the financial statements and notes to the financial statements. Actual results could differ from those estimates. Significant estimates made in preparation of LRD's financial statements include collectability of pledges receivable, useful lives of property and equipment, and the classification of functional expenses.

Revenue Recognition and Grants and Pledges Receivable

Support and program revenues are reported as increases in unrestricted, temporarily restricted or permanently restricted net assets based upon donor-imposed restrictions, if any. LRD records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support and program revenue. Pledges and contributions are recognized when donors make an unconditional promise to give to LRD either in writing or verbally. Revenues are reported as temporarily or permanently restricted revenues if the donor stipulates specific limitations as to the use of the gift, pledge or contributions, including passage of time or other terms limiting its uses. When a donor restriction expires, temporarily restricted net assets are released and transferred to unrestricted net assets. Permanently restricted net assets are maintained in perpetuity in accordance with state law and donor intentions

Grants receivable represent the uncollected portion of funds from grants awarded to LRD.

Pledges receivable represent promises to give which have been made by donors but have not yet been received by LRD. On a periodic basis, LRD evaluates its pledges receivable and establishes an allowance for doubtful accounts based on past write-offs, collections and current credit conditions.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost. Items donated are recorded at fair market value on the date of donation. Costs of improvements are capitalized and costs of repairs and maintenance are expensed as incurred. Depreciation is recorded over the estimated useful lives of the assets utilizing the straight-line method. The lives of these assets range from 3 to 50 years.

Donated Services and Supplies

Companies and volunteers donated significant supplies for program activities at an estimated fair value of \$32,596 and \$67,473 for the years ended December 31, 2016 and 2015, respectively, as reflected in the accompanying financial statements as in-kind contributions. Additionally, volunteers donate a significant amount of time to LRD's programs at an undetermined fair value. These services are not reflected in the financial statements in accordance with U.S. GAAP.

Functional Expenses

Expenses are functionally classified as Program Services, Management and General, and Fundraising. Classifications are based on actual direct expenditures and cost allocations determined by estimates of time spent by LRD personnel.

Income Taxes

LRD is exempt from Federal and state income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding state law. Accordingly, no provision has been made for Federal or state income taxes.

Management of LRD evaluates all significant tax positions to ensure compliance with exempt purpose of the organization as required by U.S. GAAP, including consideration of any unrelated business income tax. As of December 31, 2016, Management does not believe LRD has taken any tax positions that are not in compliance with the exempt purpose of the organization. LRD's Federal and state tax returns remain open and subject to examination beginning with the calendar tax year ended December 31, 2013.

Reclassification

Certain amounts in the 2015 financial statements have been reclassified to conform to the presentation of the 2016 financial statements.

Subsequent Events

Subsequent events have been evaluated through June 27, 2017, which is the date the financial statements were available for issuance.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

2. NEW HOPE CAPITAL CAMPAIGN

As of December 31, 2016, LRD has raised \$135,000 for the New Hope Capital Campaign for the purpose of building renovations. During 2016, LRD spent \$47,232 related to start-up costs for the building renovations that were expensed as incurred. LRD expects construction to begin in January 2018 at which time all remaining funds will be expended.

3. "FACES OF HOPE" CAMPAIGN

Since 2008, LRD has raised funds through individual contributions to fund a host of educational and program expenses. Pledges receivable of \$37,144 and \$29,494 at December 31, 2016 and 2015, respectively, are due from various donors within one year.

4. GRANTS RECEIVABLE

LRD recognizes all material conditional and unconditional promises to give as support and revenues.

Grants receivables of \$80,129 and \$91,337 at December 31, 2016 and 2015, respectively, are due from various grantors within one year.

5. FAIR VALUE MEASUREMENTS AND INVESTMENTS

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP also establishes a fair value hierarchy, which requires LRD to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following three levels are defined by U.S. GAAP as a means of measuring fair value:

Level 1

Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2

Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Level 3

Unobservable inputs reflecting the entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets measured at fair value at December 31, 2016 include the following:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 100,442	\$ -0-	\$ -0-	\$ 100,442
Fixed income funds	423,449	-0-	-0-	423,449
Common stocks:				
Domestic	1,221,311	-0-	-0-	1,221,311
International	478,859	-0-	-0-	478,859
Alternative investments	196,428	-0-	-0-	196,428
Real estate investment trusts	41,614	-0-	-0-	41,614
Other	<u>4,516</u>	<u>-0-</u>	<u>-0-</u>	<u>4,516</u>
Total investments	<u>2,466,619</u>	<u>-0-</u>	<u>-0-</u>	<u>2,466,619</u>
Beneficial interest in assets held by others	<u>-0-</u>	<u>555,805</u>	<u>-0-</u>	<u>555,805</u>
 Total	 <u>\$ 2,466,619</u>	 <u>\$ 555,805</u>	 <u>\$ -0-</u>	 <u>\$ 3,022,424</u>

Assets measured at fair value at December 31, 2015 include the following:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 149,617	\$ -0-	\$ -0-	\$ 149,617
Fixed income funds	421,828	-0-	-0-	421,828
Common stocks:				
Domestic	1,393,354	-0-	-0-	1,393,354
International	487,352	-0-	-0-	487,352
Real estate investment trusts	30,493	-0-	-0-	30,493
Other	<u>8,004</u>	<u>-0-</u>	<u>-0-</u>	<u>8,004</u>
Total investments	<u>2,490,648</u>	<u>-0-</u>	<u>-0-</u>	<u>2,490,648</u>
Beneficial interest in assets held by others	<u>-0-</u>	<u>558,909</u>	<u>-0-</u>	<u>558,909</u>
 Total	 <u>\$ 2,490,648</u>	 <u>\$ 558,909</u>	 <u>\$ -0-</u>	 <u>\$ 3,049,557</u>

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Interest and investment income (loss) include the following for the year ended December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Interest and dividend income	\$ 48,221	\$ 56,415
Net realized gain (loss)	(33,458)	219,900
Net unrealized gain (loss)	126,140	(318,437)
Administrative expenses	<u>(32,398)</u>	<u>(33,441)</u>
	<u>\$ 108,505</u>	<u>\$ (75,563)</u>

6. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2016 and 2015 include the following:

	<u>2016</u>	<u>2015</u>
Land	\$ 64,175	\$ 64,175
Land improvements	30,249	30,249
Building and improvements	1,383,763	1,383,763
Warehouse	122,195	122,195
Equipment	172,300	153,231
Furniture and fixtures	42,537	42,537
Vehicles	<u>13,836</u>	<u>13,836</u>
	1,829,055	1,809,986
Less accumulated depreciation	<u>(1,572,129)</u>	<u>(1,501,556)</u>
	<u>\$ 256,926</u>	<u>\$ 308,430</u>

7. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

LRD is the beneficiary of various perpetual trusts, the corpus of which are not controlled by the management of LRD. Beneficial interests in assets held by others are measured using the fair value of the assets held in the trust, which are readily available based on quoted market prices, reported by the trustee as of December 31, 2016 and 2015. Under these arrangements, LRD has the irrevocable right to receive income earned on all or a portion of the underlying assets held in perpetuity. Accordingly, contribution revenue and the related assets are recognized at fair value. Subsequent changes in the underlying assets have been recorded in the accompanying statement of activities as a component of realized and unrealized gains on investments. Beneficial interest in perpetual trust totaled \$555,805 and \$558,909 as of December 31, 2016 and 2015, respectively.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

8. LINE OF CREDIT

LRD has \$500,000 (\$300,000 at December 31, 2015) of available borrowing under a line of credit with a financial institution. Available borrowings are limited to the lesser of \$500,000 or a percentage of LRD's investment portfolio value. The credit agreement requires monthly payments of interest on outstanding borrowings at 0.5% below the financial institutions prime rate. Outstanding borrowings as of December 31, 2016 and 2015 were \$261,782 and \$440, respectively.

9. RETIREMENT PLAN

LRD sponsors a 401(k) salary reduction plan. The plan covers all employees of LRD who meet the age and hour requirement. An employee's contribution may not exceed the maximum amount allowed as determined by the Internal Revenue Code. LRD matches 100% of each participant's contribution up to 3% of gross salary and 50% of each participant's contribution for the next 3% of gross salary. LRD contributed \$27,553 and \$25,282 for the years ended December 31, 2016 and 2015, respectively.

10. UNITED WAY

LRD received public support from the United Way as follows:

	<u>2016</u>	<u>2015</u>
General fund allocation	\$ 193,435	\$ 197,362
Donor option	<u>131,966</u>	<u>87,556</u>
	<u>\$ 325,401</u>	<u>\$ 284,918</u>

Program expenditures for 2016 and 2015 exceeded public support funds received from the United Way.

At December 31, 2016 and 2015, \$6,192 was accrued for the United Way Capital Improvements Facilities Maintenance Fund, which is included in the United Way Maintenance Reserve liability.

11. FISCAL AGENT – INDIANA CANCER CONSORTIUM

LRD is the fiscal agent for Indiana Cancer Consortium ("ICC"). ICC is a nonprofit organization formed to reduce the cancer burden in Indiana through the development, implementation, and evaluation of a comprehensive cancer control plan. LRD is responsible for accounting, payroll administration, and other administrative services on behalf of ICC.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Under a Grant Agreement between Indiana State Department of Health and LRD for the period of June 30, 2016 through June 29, 2017, LRD is to be the recipient of up to \$136,929 of eligible cost reimbursement for ICC under the Grant. For the period of June 30, 2016 through December 31, 2016 LRD is eligible for reimbursement of \$68,282 under the Grant, of which \$16,077 is outstanding and included in Grants Receivable in the Statement of Financial Position.

Under a Grant Agreement among Indiana State Department of Health and LRD for the period of September 30, 2015 through June 29, 2016, LRD was the recipient of up to \$74,999 of eligible cost reimbursement for ICC under the Grant. For the period of September 30, 2015 through December 31, 2015, LRD was eligible for reimbursement of \$13,171 under the Grant, of which \$8,600 was outstanding and included in Grants Receivable in the statement of Financial Position.

12. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Transportation	\$ 199,946	\$ 205,631
Camp Little Red Door	143,155	121,685
Capital Campaign	87,768	-0-
Komen Mammography Assistance	63,110	89,958
Time restriction	37,144	79,494
Rev. Charles Williams Memorial	<u>21,735</u>	<u>21,735</u>
Total temporarily restricted net assets	<u>\$ 552,858</u>	<u>\$ 518,503</u>

Net assets released from restrictions, due to the satisfaction of donor-imposed restrictions, totaled \$630,666 and \$619,362 for the years ended December 31, 2016 and 2015, respectively. The assets were used for program expenses and operations as stipulated by the donors.

LITTLE RED DOOR CANCER AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

13. CONCENTRATION OF CREDIT RISK

Cash and Cash Equivalents

LRD maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. LRD has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash.

Grants Receivable and Support and Revenue

As of and for the year ended December 31, 2016, three (3) donors represented 79% of grants receivable and two (2) donors represented 21% of support and revenues.

As of and for the year ended December 31, 2015, one (1) donor represented 72% of grants receivable and two (2) donors represented 28% of support and revenues.