

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2014

C O N T E N T S

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of financial position	2
Statements of activities	3
Statements of functional expenses	5
Statements of cash flows	7
Notes to financial statements	8

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Colon Cancer Coalition, Inc.
Edina, Minnesota

We have audited the accompanying financial statements of Colon Cancer Coalition, Inc. (a Minnesota Not-For-Profit Organization), which comprise the statements of financial position as of December 31, 2014 and 2013 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Colon Cancer Coalition, Inc. as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Boyum + Barenscheer PLLP

Minneapolis, Minnesota
April 30, 2015

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,	2014	2013
ASSETS		
Cash and cash equivalents	\$ 1,229,292	\$ 1,225,494
Accounts receivable	10,000	8,630
Prepaid expenses	37,920	23,258
<i>Total assets</i>	\$ 1,277,212	\$ 1,257,382
LIABILITIES AND NET ASSETS		
LIABILITIES		
Grants and awards payable	\$ 1,125,806	\$ 1,106,089
Accounts payable	-	19,731
Deferred revenues	40,847	31,242
<i>Total liabilities</i>	1,166,653	1,157,062
UNRESTRICTED NET ASSETS	110,559	100,320
<i>Total liabilities and net assets</i>	\$ 1,277,212	\$ 1,257,382

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31,	2014		
	Unrestricted	Temporarily Restricted	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 731,945	\$ -	\$ 731,945
Race sponsorships	408,832	-	408,832
Race fundraising	894,911	-	894,911
Direct benefit to donor costs	(429,504)	-	(429,504)
Grants	15,000	-	15,000
Contributions	60,378	-	60,378
Interest and dividend income	905	-	905
Non-cash contributions	103,399	-	103,399
Other income	15	-	15
<i>Total revenues, support and other income</i>	1,785,881	-	1,785,881
EXPENSES			
Program services	1,028,092	-	1,028,092
Management and general	127,087	-	127,087
Fundraising, including race-related expenses	620,463	-	620,463
<i>Total expenses</i>	1,775,642	-	1,775,642
<i>Increase in net assets</i>	10,239	-	10,239
Net assets, beginning of year	100,320	-	100,320
<i>Net assets, end of year</i>	\$ 110,559	\$ -	\$ 110,559

The Notes to Financial Statements are an integral part of these statements.

YEAR ENDED DECEMBER 31,**2013**

	Unrestricted	Temporarily Restricted	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 701,260	\$ -	\$ 701,260
Race sponsorships	328,394	-	328,394
Race fundraising	886,003	-	886,003
Direct benefit to donor costs	(360,673)	-	(360,673)
Grants	88,148	-	88,148
Contributions	29,148	-	29,148
Interest and dividend income	662	-	662
Non-cash contributions	41,823	-	41,823
Net assets released from restriction	2,691	(2,691)	-
	<hr/>	<hr/>	<hr/>
<i>Total revenues, support and other income</i>	1,717,456	(2,691)	1,714,765
EXPENSES			
Program services	968,883	-	968,883
Management and general	104,910	-	104,910
Fundraising, including race-related expenses	632,300	-	632,300
	<hr/>	<hr/>	<hr/>
<i>Total expenses</i>	1,706,093	-	1,706,093
	<hr/>	<hr/>	<hr/>
<i>Increase (decrease) in net assets</i>	11,363	\$ (2,691)	8,672
Net assets, beginning of year	88,957	2,691	91,648
	<hr/>	<hr/>	<hr/>
<i>Net assets, end of year</i>	\$ 100,320	\$ -	\$ 100,320

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31,	2014				
	Supporting Services				
	Program	General and Administrative	Fundraising		Total
			Race-related	Other	
Salaries and wages	\$ 117,763	\$ 71,205	\$ 216,355	\$ 87,638	\$ 492,961
Payroll taxes	9,132	5,522	16,779	6,796	38,229
Insurance	(3,448)	(2,084)	5,158	(2,566)	(2,940)
Grants and awards	790,359	-	-	-	790,359
Event expenses	3,574	-	504,854	-	508,428
Advertising	75,085	1,429	33,802	25,429	135,745
Licenses and permits	75	25	-	-	100
Rent	4,216	2,549	7,747	3,138	17,650
Occupancy	438	265	805	326	1,834
Telephone	1,089	659	2,001	810	4,559
Supplies	2,347	1,320	-	-	3,667
Office supplies	-	185	-	-	185
Postage	-	396	-	49	445
Printing	15	-	-	81	96
Dues and subscriptions	-	1,206	-	-	1,206
Bank fees	10	1,771	109,300	-	111,081
Meetings	-	299	-	-	299
Travel	16,545	3,807	16,750	-	37,102
Meals and entertainment	65	632	836	29	1,562
Professional fees	3,750	12,250	3,750	-	19,750
Computer expenses	3,487	3,787	5,302	2,131	14,707
Contract services	3,590	20,482	2,667	-	26,739
Miscellaneous	-	1,382	-	-	1,382
Total expenses	1,028,092	127,087	926,106	123,861	2,205,146
Less direct benefit to donor costs	-	-	(429,504)	-	(429,504)
Net expenses	\$ 1,028,092	\$ 127,087	\$ 496,602	\$ 123,861	\$ 1,775,642

The Notes to Financial Statements are an integral part of these statements.

YEAR ENDED DECEMBER 31,**2013**

	Supporting Services				Total
	Program	General and Administrative	Fundraising		
			Race-related	Other	
Salaries and wages	\$ 91,664	\$ 72,022	\$ 235,108	\$ 32,737	\$ 431,531
Payroll taxes	7,813	6,139	16,742	2,790	33,484
Insurance	4,519	3,551	20,289	1,614	29,973
Grant payments	794,786	-	-	-	794,786
Event expenses	-	-	462,891	-	462,891
Advertising	28,969	-	37,351	-	66,320
Licenses and permits	-	25	-	-	25
Rent	2,740	2,740	6,850	1,370	13,700
Occupancy	468	468	1,169	233	2,338
Telephone	924	726	1,979	329	3,958
Supplies	-	2,096	-	-	2,096
Office supplies	-	77	-	-	77
Postage	-	540	-	-	540
Printing	110	1,038	-	324	1,472
Dues and subscriptions	-	1,500	691	-	2,191
Bank fees	2,854	1,427	102,613	-	106,894
Meetings	403	403	-	-	806
Travel	13,492	1,592	13,491	2,520	31,095
Meals and entertainment	1,438	320	1,438	-	3,196
Professional fees	-	6,648	41,424	-	48,072
Computer expenses	5,085	-	7,148	-	12,233
Contract services	13,618	1,532	-	1,872	17,022
Miscellaneous	-	2,066	-	-	2,066
Total expenses	968,883	104,910	949,184	43,789	2,066,766
Less direct benefit to donor costs	-	-	(360,673)	-	(360,673)
Net expenses	\$ 968,883	\$ 104,910	\$ 588,511	\$ 43,789	\$ 1,706,093

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31,	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase of net assets	\$ 10,239	\$ 8,672
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(1,370)	(8,130)
Prepaid expenses	(14,662)	(11,858)
Grants and awards payable	19,717	90,123
Accounts payable	(19,731)	19,731
Accrued payroll liabilities	-	(4,950)
Deferred revenue	9,605	9,059
	<u>3,798</u>	<u>102,647</u>
<i>Net cash provided by operating activities</i>	3,798	102,647
	3,798	102,647
<i>Increase in cash and cash equivalents</i>	3,798	102,647
Cash and cash equivalents, beginning of year	1,225,494	1,122,847
	<u>\$ 1,229,292</u>	<u>\$ 1,225,494</u>
<i>Cash and cash equivalents, end of year</i>	\$ 1,229,292	\$ 1,225,494

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Colon Cancer Coalition, Inc. (the Coalition) was incorporated in Minnesota as a 501(c)(3) non-profit organization in August of 2006. The Coalition's mission is to empower local communities to promote prevention and early detection of colon cancer and to provide support to those affected.

The Coalition oversees run/walk events throughout the United States branded under the Get Your Rear in Gear name. In 2014 and 2013, 41 and 34 races were held, respectively. These races are the Coalition's primary source of revenue.

The Coalition has created a network of events that it helps manage or support. The Coalition offers local race partners committed to creating awareness in their community a proven blueprint for success, saving organizers time, money and energy to invest in the success of their event. As the network of events grows, the Coalition has the opportunity to share ideas, strategies, marketing tools and buying power amongst event leaders, sponsors, volunteers and participants.

The Coalition enters into an agreement with the local race partner in the city where the race is to be held. The agreement identifies the responsibilities of the Coalition and the local race partner. The agreement specifies that a percentage of net race proceeds are awarded back to the local community. The money raised is given back to the local community in the form of grants and awards to help with prevention, early detection and treatment, healthy living projects, and support for those affected by the disease.

The Coalition is a member of the Minnesota Cancer Alliance and works with the organization on educational and research projects impacting colon cancer.

Method of accounting:

The Coalition follows the accrual method of accounting for revenues and expenditures. Contributions are recognized when the donor makes a promise to give to the Coalition that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Basis of presentation:

The Coalition reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, based upon the existence or absence of donor restrictions. As of December 31, 2014 and 2013, there were no temporarily or permanently restricted net assets.

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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and cash equivalents:

For purposes of the statement of cash flows, the Coalition considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Coalition maintains its accounts in one financial institution. At various times during the year, the balances may have exceeded federally insured deposit limits.

Receivables:

Account receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Coalition provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances. Receivables are considered impaired if full payments are not received in accordance with contractual terms. It is the Coalition's policy to charge off uncollectible receivables when management determines that a receivable will not be collected. As of December 31, 2014 and 2013, no allowance was recorded due to the fact that the Coalition deemed the receivables to be 100% collectible.

Grants and awards payable:

Grants and awards payable represent amounts due back to local race partners and designated beneficiaries for races held.

Advertising:

Advertising is charged to expense when incurred. Advertising expenses totaled \$135,745 and \$66,320 for the years ended December 31, 2014 and 2013, respectively.

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Race registrations and sponsorships:

Race registration fees and sponsorships are recognized at the time the race is held.

Deferred revenue includes registration fees and sponsorships received in advance of the race. Prepaid expenses include expenses related to the following year's races.

Non-cash donations of facilities, merchandise and services:

Non-cash donations of facilities, merchandise and services are recorded as contributions at their estimated fair market value at the date of donation.

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received.

In addition, individuals volunteer their time, performing a variety of tasks that assist the Coalition mostly with its races. This volunteer time does not meet the above definition of donated services that need to be recorded. The Coalition had approximately 5,000 hours of donated time towards races for each of the years ended December 31, 2014 and 2013.

Functional allocation of expenses:

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

The direct costs of races include security, apparel, race management, contracted labor, equipment rental, credit card and website fees and other direct race expenses.

Income taxes:

Colon Cancer Coalition, Inc. is exempt from federal and Minnesota taxation pursuant to the provisions of Section 501(c) (3) of the Internal Revenue Code and Section 290.05 of the Minnesota Statutes and is only subject to federal and state income taxes on net unrelated business income. Since the Coalition had no unrelated business taxable income in 2014 and 2013, the accompanying financial statements do not include any provision for federal or state income taxes.

The Coalition's filings with the Internal Revenue Service are subject to audit. The information returns for the past three and one-half years are open to examination. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements based on the criteria set forth in ASC 740.

COLON CANCER COALITION, INC.
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

NOTE 2. COMMITMENT

The agreements with local race partners require the Coalition to hold back a percentage of revenues for funding of the following year's race. The cash balance at both December 31, 2014 and 2013, includes cash designated for future races.

NOTE 3. NON-CASH CONTRIBUTIONS

Included in the statements of activities are non-cash contributions as follows:

YEARS ENDED DECEMBER 31,	2014	2013
Advertising	\$ 65,613	\$ 20,311
Race day food	12,675	9,122
Race day services	15,310	4,715
Race day awards	9,801	7,675
<i>Total</i>	\$ 103,399	\$ 41,823

NOTE 4. SUBSEQUENT EVENTS

In preparing these financial statements, the Coalition has evaluated events and transactions for potential recognition or disclosure through April 30, 2015, the date the financial statements were available to be issued.