

**Connecticut Sports Foundation
Against Cancer, Inc.**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2016 and 2015

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Connecticut Sports Foundation Against Cancer, Inc.

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Independent Auditor's Report

To the Board of Directors
Connecticut Sports Foundation Against Cancer, Inc.

We have audited the accompanying financial statements of Connecticut Sports Foundation Against Cancer, Inc., which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities 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 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 Connecticut Sports Foundation Against Cancer, Inc. as of June 30, 2016 and 2015 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The information included in the schedules on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CohnReznick LLP

Hartford, Connecticut
October 31, 2016

Connecticut Sports Foundation Against Cancer, Inc.

**Statements of Financial Position
June 30, 2016 and 2015**

	<u>Assets</u>	
	<u>2016</u>	<u>2015</u>
Current assets		
Cash and cash equivalents	\$ 461,378	\$ 402,068
Special events accounts receivable	6,000	6,200
Pledges receivable current portion	185,000	118,750
Related party note receivable	500,000	-
Prepaid expenses	2,489	2,248
Memorabilia inventory	25,190	25,451
	<u>1,180,057</u>	<u>554,717</u>
Other assets		
Investments	5,941,942	6,069,827
Pledges receivable, net of current portion	225,600	-
Construction in progress	11,179	-
	<u>6,178,721</u>	<u>6,069,827</u>
 Total assets	 <u>\$ 7,358,778</u>	 <u>\$ 6,624,544</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable and accruals	\$ 6,955	\$ 129,895
Deferred revenue	4,100	-
	<u>11,055</u>	<u>129,895</u>
Other liabilities		
Note payable	499,903	-
	<u>499,903</u>	<u>-</u>
 Total liabilities	 <u>510,958</u>	 <u>129,895</u>
 Commitments		
Net assets		
Unrestricted		
Undesignated	637,778	395,159
Board designated	5,941,942	6,069,827
	<u>6,579,720</u>	<u>6,464,986</u>
Temporarily restricted	268,100	29,663
Total net assets	<u>6,847,820</u>	<u>6,494,649</u>
 Total liabilities and net assets	 <u>\$ 7,358,778</u>	 <u>\$ 6,624,544</u>

See Notes to Financial Statements.

Connecticut Sports Foundation Against Cancer, Inc.

**Statements of Activities
Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Change in unrestricted net assets		
Support, revenues and gains		
Contributions	\$ 273,520	\$ 308,200
Special events		
Connecticut	826,458	777,062
New York	99,121	95,567
Investment income (loss), net	(15,998)	106,368
Interest income	45,900	-
Miscellaneous revenue	6,316	225
Release from restriction	29,663	7,837
Total support, revenues and gains	<u>1,264,980</u>	<u>1,295,259</u>
Expenses		
Research grant	115,000	112,500
Recipient payments	476,855	308,011
General and business expenses	177,033	122,206
Special event expense		
Connecticut	349,838	319,894
New York	31,520	36,480
Total expenses	<u>1,150,246</u>	<u>899,091</u>
Change in unrestricted net assets	<u>114,734</u>	<u>396,168</u>
Change in temporarily restricted net assets		
Contributions, net of discount	268,100	37,500
Release from restriction	(29,663)	(7,837)
Change in temporarily restricted net assets	<u>238,437</u>	<u>29,663</u>
Change in net assets	353,171	425,831
Net assets, beginning	<u>6,494,649</u>	<u>6,068,818</u>
Net assets, end	<u><u>\$ 6,847,820</u></u>	<u><u>\$ 6,494,649</u></u>

See Notes to Financial Statements.

Connecticut Sports Foundation Against Cancer, Inc.

**Statements of Cash Flows
Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Change in net assets	\$ 353,171	\$ 425,831
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Unrealized and realized losses on investments	195,779	91,024
Bad debt expense	6,200	-
Change in discount	(19,400)	-
Changes in operating assets and liabilities		
Special events accounts receivable	(6,000)	(6,200)
Pledges receivable	(272,450)	(118,750)
Prepaid expenses	(241)	10
Memorabilia inventory	261	(25)
Accounts payable and accruals	(122,940)	(34,275)
Deferred revenue	4,100	-
Net cash provided by operating activities	<u>138,480</u>	<u>357,615</u>
Cash flows from investing activities		
Notes receivable	(500,000)	-
Purchases of construction in progress	(11,179)	-
Purchases of investments	(118,692)	(236,599)
Proceeds from sale of investments	50,798	220,566
Net cash used in investing activities	<u>(579,073)</u>	<u>(16,033)</u>
Cash flows from financing activities		
Proceeds from notes payable	624,903	-
Payment to note payable	(125,000)	-
Net cash provided by investing activities	<u>499,903</u>	<u>-</u>
Net increase in cash and cash equivalents	59,310	341,582
Cash and cash equivalents, beginning	<u>402,068</u>	<u>60,486</u>
Cash and cash equivalents, end	<u>\$ 461,378</u>	<u>\$ 402,068</u>
Supplemental disclosure of cash flow information		
Interest paid	<u>\$ 12,204</u>	<u>\$ -</u>

See Notes to Financial Statements.

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

Note 1 - Organization and summary of significant accounting policies

Organization

Connecticut Sports Foundation Against Cancer, Inc. (the "Foundation") is a nonprofit organization incorporated in 1987 in the State of Connecticut, whose purpose is to provide funds to benefit families affected by cancer and to support cancer research and education. The Foundation is led by a 16 member board of directors and a 10 member advisory board. Both boards consist of professionals, community leaders, financial experts and former professional athletes.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. They are described below:

Unrestricted - Net assets that are not subject to explicit donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Foundation is subject to explicit donor-imposed stipulations or by operation of law that can be fulfilled by actions of the Foundation or that expire by the passage of time.

Permanently Restricted - Net assets subject to explicit donor-imposed stipulations that they be maintained permanently by the Foundation and stipulate the use of the income and/or appreciation as either unrestricted or temporarily restricted or by operation of law.

There are no permanently restricted net assets at June 30, 2016 and 2015.

Income tax status

The Foundation is organized as a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code and as such is not subject to federal or state corporate income taxes. The Foundation has no unrecognized tax benefits at June 30, 2016 and 2015. The Foundation's federal information returns prior to fiscal year 2013 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If the Foundation had unrelated business income taxes, it would recognize interest and penalties associated with any tax matters as part of the income tax provision and include accrued interest and penalties with the related tax liability in the statements of financial position.

Cash and cash equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.

Contributions

Unconditional promises to give are recorded as contributions receivable when the promise is received. Unconditional promises are included in the consolidated financial statements as contributions receivable and revenue in the appropriate net asset category. Multi-year pledges are recorded after discounting the present value of the future cash flows at an annual rate of 4%.

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Special events accounts receivable

Special events accounts receivable represent donations received during fundraisers. Receivables are written off when management determines amounts will not be collectable. No allowance is deemed necessary for both years ended June 30, 2016 and 2015.

Pledges receivable

Pledges receivable represent unconditional promises to give that are recognized in the period in which the promise is received. Management evaluates the need for an allowance for uncollectible pledges based upon factors surrounding the credit worthiness, historical collection trends and current economic conditions. Receivables are written off only when management believes amounts will not be collected. No allowance is deemed necessary for the years ended June 30, 2016 and 2015.

Memorabilia inventory

Memorabilia inventory is stated at the lower of cost, determined by the first-in, first-out method, or market.

Construction in progress

The Foundation capitalized fees related to searching for a property that was subsequently purchased after year-end that will be used for administrative and visitor space. These fees will be depreciated when the property is placed into service.

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Investments

Investments are reported at fair value (see Note 6), and are comprised of marketable securities maintained with a financial institution, as well as certain assets purchased and held for investment purposes. The Foundation's investments are under the direction of the Board of Directors. Investment activity is administered by an outside investment manager according to the Foundation's written investment policy which includes criteria for current and total returns, risk tolerance, diversification and asset allocation. The brokerage account is under the auspices of the Securities Investor Protection Corporation ("SIPC"), which provides limited protection in the event of a brokerage firm failure.

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

Donated services

A substantial number of unpaid volunteers have made significant contributions of their time to develop and staff the Foundation's events and programs. The value of this contributed time is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

Fundraising expenses

The Foundation holds several fundraising events throughout the year, including the annual sports dinner, Cycle Against Cancer and other events in support of ongoing initiatives. Included in the fundraising expenses are in-kind contributions of \$52,790 in both 2016 and 2015, respectively, for the facilities and various expenses related to the annual sports dinner.

Endowment and spending policy

The Foundation has investment and spending policies for endowment assets that attempt to provide a reasonably predictable stream of funding for activities supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include only board-designated funds.

Under this policy, as approved by the Board of Directors, the endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. It is recognized that short-term market fluctuations may cause variations in account performance.

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation can prudently invest for total return (income and gain) in any mix of investment vehicles considering general economic conditions, the possible effect of inflation or deflation, the role that each investment or course of action plays within the overall investment portfolio, the expected total return from income and the appreciation of investments, and the needs of the Foundation and the endowment funds to make distributions and to preserve capital to achieve its long-term return objectives within prudent risk constraints.

Annually, the Board of Directors will determine the distribution of funds from the endowment. Spending distributions may be made only from accumulated and current total investment returns (appreciation, dividends, interest and capital gains).

Use of estimates

The preparation of the 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. Accordingly, actual results could differ from those estimates.

Reclassification

Certain prior year financial information has been reclassified to conform to the current year presentation.

Subsequent events

The Foundation has evaluated subsequent events through October 31, 2016, which is the date the financial statements were available to be issued (see Note 12).

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

Note 2 - Concentrations

Credit and market risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, pledges and investments. The Foundation maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. At June 30, 2016, there was approximately \$217,000 exceeding federally insured limits. Two donors make up 93% of the amount reported as pledges receivable and is expected to be collected over the next five years.

Investments, consisting of mutual funds and fixed income securities with high credit ratings, are recorded at fair value. Accordingly, the investment securities can fluctuate because of interest rates, reinvestment, credit, market and other risks depending on the nature of the specific investment. Therefore, it is at least reasonably possible that these factors will result in changes in the value of the Foundation's investments which could materially affect amounts reported in the financial statements.

Revenue

The Foundation's principal source of revenue is from table sales, auction proceeds and raffle proceeds in connection with its annual sports dinner. For the years ended June 30, 2016 and 2015, \$528,461 and \$698,648, respectively, was recognized as revenue and \$167,587 and \$180,743, respectively, of related expenses were incurred for this event. The net proceeds from this event represented 66% and 94% of the Foundation's total donations and special events net revenue for the years ended June 30, 2016 and 2015, respectively.

Note 3 - Contributions receivable

Unconditional contributions receivable are expected to be realized in the following periods:

	June 30	
	2016	2015
In one year or less	\$ 185,000	\$ 118,750
In one to five years	245,000	-
	430,000	-
Discount	(19,400)	-
	<u>\$ 410,600</u>	<u>\$ 118,750</u>

Amounts are shown in the statements of financial position as follows:

	June 30	
	2016	2015
Current	\$ 185,000	\$ 118,750
Long-term	225,600	-
	<u>\$ 410,600</u>	<u>\$ 118,750</u>

Connecticut Sports Foundation Against Cancer, Inc.

Notes to Financial Statements June 30, 2016 and 2015

Note 4 - Related party note receivable

The Foundation entered into a Loan and Charitable Support agreement with a related party (the "Related Party Note") on August 3, 2015 with an original principal amount of \$500,000 and interest payable quarterly, commencing October 1, 2015, at 10% per annum. The related party agrees to provide the Foundation with certain charitable support during the year. The outstanding balance at June 30, 2016 was \$500,000. Interest income for the year ending June 30, 2016 was \$45,900. The Related Party Note matured on August 3, 2016, at which time it was extended until August 2017.

Note 5 - Investments

At June 30, 2016 and 2015, investments consisted of the following:

	2016	2015
Fixed income	\$ 3,047,443	\$ 2,446,392
Equities	2,092,312	2,202,169
Exchange-traded and closed-end funds	551,347	1,249,229
Money market funds	190,840	47,037
Artwork	60,000	125,000
	<u>\$ 5,941,942</u>	<u>\$ 6,069,827</u>

The following summarizes investment income for the years ended June 30, 2016 and 2015:

	2016	2015
Interest and dividends	\$ 236,419	\$ 239,519
Less investment management fees	(56,638)	(42,127)
Unrealized and realized loss	(195,779)	(91,024)
Total investment income (loss)	<u>\$ (15,998)</u>	<u>\$ 106,368</u>

Note 6 - Fair value measurements

The Foundation values its financial assets and liabilities based on 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. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

In determining fair value, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

The fair values of exchange-traded and closed-end funds and equities for June 30, 2016 and 2015 were obtained from real time quotes for transactions in active exchange markets (Level 1). Mutual funds and money market funds are valued at the daily closing price as reported. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price (Level 1). The fair values of corporate bonds were based on yields available on comparable instruments (Level 2). The Foundation has invested in artwork as an alternate method of investments and expects to hold artwork for short period of time, artwork was purchased close to year end and approximates fair value.

There were no changes in methodologies in 2016 and 2015.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Financial assets carried at fair value at June 30, 2016 and 2015 are classified in the tables below in one of the three categories described above:

<u>2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 190,840	\$ -	\$ -	\$ 190,840
Equities				
Common				
Domestic	2,092,312	-	-	2,092,312
Fixed income				
Corporate bonds				
AA-	-	647,210	-	647,210
A	-	100,159	-	100,159
A-	-	321,198	-	321,198
BB+	-	208,184	-	208,184
BB	-	128,778	-	128,778
BB-	-	51,188	-	51,188
BBB+	-	420,764	-	420,764
BBB	-	483,757	-	483,757
BBB-	-	686,205	-	686,205
Exchange-traded and closed-end funds	551,347	-	-	551,347
Artwork	-	-	60,000	60,000
	<u>\$ 2,834,499</u>	<u>\$ 3,047,443</u>	<u>\$ 60,000</u>	<u>\$ 5,941,942</u>

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

2015	Level 1	Level 2	Level 3	Total
Money market funds	\$ 47,037	\$ -	\$ -	\$ 47,037
Equities				
Common				
Domestic	1,979,914	-	-	1,979,914
International	133,232	-	-	133,232
Preferred	89,023	-	-	89,023
Fixed income				
Corporate bonds				
AA-	-	174,343	-	174,343
A	-	346,125	-	346,125
A-	-	93,563	-	93,563
BB+	-	327,300	-	327,300
BB	-	303,183	-	303,183
BB-	-	53,125	-	53,125
BBB+	-	53,369	-	53,369
BBB	-	533,732	-	533,732
BBB-	-	561,652	-	561,652
Exchange-traded and closed-end funds	1,249,229	-	-	1,249,229
Artwork	-	-	125,000	125,000
	<u>\$ 3,498,435</u>	<u>\$ 2,446,392</u>	<u>\$ 125,000</u>	<u>\$ 6,069,827</u>

Details regarding assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) are as follows:

	Total
Balance, June 30, 2015	\$ 125,000
Sales	(125,000)
Purchase	60,000
Balance, June 30, 2016	<u>\$ 60,000</u>

Note 7 - Note payable

The Foundation entered into a portfolio loan agreement for up to \$3,501,000 with an interest rate set at the portfolio loan account's 30 day LIBOR rate with no termination date. During the year the Foundation borrowed \$624,903. The ending balance at June 30, 2016 was \$499,903. The note is collateralized by the Foundation's investments. Total interest expense for the year ended June 30, 2016 was \$12,204.

Note 8 - Endowment

The Foundation's endowment is comprised of board-designated endowment funds, which are included in unrestricted net assets on the accompanying statements of financial position. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. There are no donor-restricted endowment funds as of June 30, 2016 and 2015.

Connecticut Sports Foundation Against Cancer, Inc.

**Notes to Financial Statements
June 30, 2016 and 2015**

Changes in endowment net assets for the years ended June 30, 2016 and 2015 are as follows:

	2016	2015
Endowment net assets, beginning	\$ 6,069,827	\$ 6,019,818
Interest and dividends, net of fees	179,645	197,392
Net realized and unrealized depreciation	(195,809)	(91,024)
Board designation	-	220,566
Appropriation of endowment	(111,721)	(276,925)
Endowment net assets, end	<u>\$ 5,941,942</u>	<u>\$ 6,069,827</u>

Note 9 - Temporarily restricted net assets

Temporarily restricted net assets of \$268,100 and \$29,663 at June 30, 2016 and 2015, respectively, are available for supporting grants to patients with cancer. During the years ended June 30, 2016 and 2015, the Foundation released \$29,663 and \$7,837, respectively, of funds to patients with cancer.

Note 10 - Commitment

Operating lease

The Foundation occupies an office under a month-to-month operating lease. The Foundation's rent expense was \$18,525 for each of the years ended June 30, 2016 and 2015.

Matching Grant Agreement

During 2016 and 2015, the Foundation entered into agreements with not-for-profit hospitals. Under the terms of the agreements, the Foundation will contribute funds to the hospital in order to establish a fund which will provide financial assistance to certain of the hospital's cancer patients, as determined by the hospital. The Foundation will pay the hospital upon the satisfaction of certain conditions by the hospital.

Note 11 - Related party

There is a related party relationship between the Executive Director and a board member; the board member recuses himself from voting on matters related to the Executive Director.

Note 12 - Subsequent events

On August 3, 2016, the Foundation formed CF 15 North Main Street, LLC (the "LLC"), a single-member limited liability company of which the Foundation is the sole-member, for the purpose of holding real estate purchased on September 13, 2016 for \$540,000. The Foundation is currently performing due diligence in preparation for the construction of a building which will serve as the location of its administrative functions as well as a visitor center for its constituents.

On September 13, 2016, the Foundation entered into a second loan portfolio loan agreement for up to \$1,700,000 with an interest rate set at 30 day LIBOR rate plus 1.5% with no termination date. Subsequently, \$543,099 was withdrawn from this portfolio to fund the purchase of the real estate by the LLC.

Supplementary Information

Connecticut Sports Foundation Against Cancer, Inc.

**Schedules of General and Business Expenses
Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Salaries	\$ 74,435	\$ 51,031
Rent	18,525	18,525
Payroll taxes	14,303	11,297
Interest expense	12,204	-
Miscellaneous	11,622	342
Audit	10,900	11,050
Insurance - employment	9,838	10,293
Bad debt expense	6,200	-
Office supplies	3,879	2,013
Website	3,047	2,540
Telephone	2,809	2,793
Marketing and event planning	2,318	1,788
Payroll processing fees	1,795	1,660
Contracted services	1,434	4,365
Postage	1,185	1,063
Dues and credit card fees	1,029	1,004
Insurance - workers compensation	720	726
Insurance	529	531
Memorabilia supplies	261	1,185
	<u>\$ 177,033</u>	<u>\$ 122,206</u>

See Independent Auditor's Report.

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