

THE ANNA SCHINDLER FOUNDATION, INC.

COMPILED FINANCIAL STATEMENTS

Years Ended December 31, 2016 & 2015

Prepared by

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THE ANNA SCHINDLER FOUNDATION, INC.

(A Nonprofit Organization)

C O N T E N T S

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To the Board of Directors
The Anna Schindler Foundation, Inc.
Post Falls, ID 83854

Management is responsible for the accompanying financial statements of The Anna Schindler Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 & 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.



Anderson Bros. CPA's, P.A.
Post Falls, Idaho
January 27, 2017

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The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Financial Position
December 31, 2016 and 2015

| | 2016 | | | Total |
|---|--------------------------|---------------------------|---------------------------|--------------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ 73,348 | \$ 605 | \$ - | \$ 73,953 |
| Total current assets | <u>73,348</u> | <u>605</u> | <u>-</u> | <u>73,953</u> |
| PROPERTY & EQUIPMENT | | | | |
| Land | 105,425 | - | - | 105,425 |
| Capitalized development costs | 104,033 | - | - | 104,033 |
| Office equipment | 2,076 | - | - | 2,076 |
| Less: accumulated depreciation | (2,000) | - | - | (2,000) |
| Total property & equipment | <u>209,534</u> | <u>-</u> | <u>-</u> | <u>209,534</u> |
| TOTAL ASSETS | <u>\$ 282,882</u> | <u>\$ 605</u> | <u>\$ -</u> | <u>\$ 283,487</u> |
| LIABILITIES & NET ASSETS | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Total current liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| LONG TERM LIABILITIES | | | | |
| Notes payable (net of current portion) | - | - | - | - |
| Total long term liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET ASSETS | | | | |
| Unrestricted | 282,882 | - | - | 282,882 |
| Temporarily restricted | - | 605 | - | 605 |
| Permanently restricted | - | - | - | - |
| TOTAL LIABILITIES & NET ASSETS | <u>\$ 282,882</u> | <u>\$ 605</u> | <u>\$ -</u> | <u>\$ 283,487</u> |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Financial Position
December 31, 2016 and 2015

| | 2015 | | | Total |
|---|--------------------------|---------------------------|---------------------------|--------------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ 113,676 | \$ 1,473 | \$ - | \$ 115,149 |
| Total current assets | <u>113,676</u> | <u>1,473</u> | <u>-</u> | <u>115,149</u> |
| PROPERTY & EQUIPMENT | | | | |
| Land | 105,425 | - | - | 105,425 |
| Capitalized development costs | 7,675 | - | - | 7,675 |
| Office equipment | 2,076 | - | - | 2,076 |
| Less: accumulated depreciation | (1,787) | - | - | (1,787) |
| Total property & equipment | <u>113,389</u> | <u>-</u> | <u>-</u> | <u>113,389</u> |
| TOTAL ASSETS | <u>\$ 227,065</u> | <u>\$ 1,473</u> | <u>\$ -</u> | <u>\$ 228,538</u> |
| LIABILITIES & NET ASSETS | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Total current liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| LONG TERM LIABILITIES | | | | |
| Notes payable (net of current portion) | | | | - |
| Total long term liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET ASSETS | | | | |
| Unrestricted | 227,065 | - | - | 227,065 |
| Temporarily restricted | - | 1,473 | - | 1,473 |
| Permanently restricted | - | - | - | - |
| TOTAL LIABILITIES & NET ASSETS | <u>\$ 227,065</u> | <u>\$ 1,473</u> | <u>\$ -</u> | <u>\$ 228,538</u> |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Activities
Years Ended December 2016 and 2015

| | 2016 | | | Total |
|--------------------------------------|-------------------|---------------------------|---------------------------|-------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| REVENUES AND SUPPORT | | | | |
| Fundraising | \$ 99,512 | \$ - | \$ - | \$ 99,512 |
| Contributions | 47,231 | 12,507 | - | 59,738 |
| Other income | - | - | - | - |
| Investment income | 3 | - | - | 3 |
| In-Kind contributions | 750 | 5,000 | - | 5,750 |
| Net assets released from restriction | 14,507 | (14,507) | - | - |
| Total revenue and support | 162,003 | 3,000 | - | 165,003 |
| EXPENSES | | | | |
| Program services | 71,417 | 3,868 | - | 75,285 |
| Management & general | 9,843 | - | - | 9,843 |
| Fundraising | 24,926 | - | - | 24,926 |
| Total Expenses | 106,186 | 3,868 | - | 110,054 |
| CHANGE IN NET ASSETS | 55,817 | (868) | - | 54,949 |
| NET ASSETS, beginning of year | 227,065 | 1,473 | - | 228,538 |
| NET ASSETS, end of year | \$ 282,882 | \$ 605 | \$ - | \$ 283,487 |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Activities
Years Ended December 2016 and 2015

| | 2015 | | | Total |
|--------------------------------------|-------------------|---------------------------|---------------------------|-------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| REVENUES AND SUPPORT | | | | |
| Fundraising | \$ 138,390 | \$ - | \$ - | \$ 138,390 |
| Contributions | 38,479 | 85,538 | - | 124,017 |
| Other income | 450 | - | - | 450 |
| Investment income | 4 | - | - | 4 |
| In-Kind contributions | 750 | - | - | 750 |
| Net assets released from restriction | 84,038 | (84,038) | - | - |
| Total revenue and support | 262,111 | 1,500 | - | 263,611 |
| EXPENSES | | | | |
| Program services | 70,463 | 965 | - | 71,428 |
| Management & general | 13,265 | - | - | 13,265 |
| Fundraising | 28,567 | - | - | 28,567 |
| Total Expenses | 112,295 | 965 | - | 113,260 |
| CHANGE IN NET ASSETS | 149,816 | 535 | - | 150,351 |
| NET ASSETS, beginning of year | 77,249 | 938 | - | 78,187 |
| NET ASSETS, end of year | \$ 227,065 | \$ 1,473.0 | \$ - | \$ 228,538 |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Functional Expenses
Years Ended December 2016 and 2015

| | 2016 | | | Total |
|-------------------------|---------------------|------------------------------|------------------|-------------------|
| | Program Services | Management and General | Fund Raising | |
| Direct family support | \$ 70,804 | \$ - | \$ - | \$ 70,804 |
| Mileage reimbursement | 1,232 | - | - | 1,232 |
| Other | 3,249 | 416 | - | 3,665 |
| Interest | - | - | - | - |
| Advertising | - | 1,253 | - | 1,253 |
| Bank fees | - | 569 | - | 569 |
| Dues and subscriptions | - | - | - | - |
| Licenses | - | 11 | - | 11 |
| Contract services | - | 1,000 | - | 1,000 |
| Depreciation | - | 213 | - | 213 |
| Storage | - | 390 | - | 390 |
| Meeting expenses | - | 1,143 | - | 1,143 |
| Postage and mailing | - | 1,168 | - | 1,168 |
| Printing | - | 304 | - | 304 |
| Supplies | - | 1,177 | - | 1,177 |
| Website expenses | - | 444 | - | 444 |
| Insurance | - | 1,755 | - | 1,755 |
| Travel | - | - | - | - |
| Anna's home gala dinner | - | - | 2,316 | 2,316 |
| Anna's team expenses | - | - | 770 | 770 |
| Golf tournament | - | - | 17,714 | 17,714 |
| Halloween event | - | - | - | - |
| Ironman | - | - | 4,126 | 4,126 |
| Totals | \$ 75,285 | \$ 9,843 | \$ 24,926 | \$ 110,054 |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Functional Expenses
Years Ended December 2016 and 2015

| | 2015 | | | |
|-------------------------|-----------------------------|---------------------------------------|-------------------------|-------------------|
| | Supporting Services | | | Total |
| | Program Services | Management and General | Fund Raising | |
| Direct family support | \$ 64,875 | \$ - | \$ - | \$ 64,875 |
| Mileage reimbursement | - | - | - | - |
| Other | 5,125 | 79 | - | 5,204 |
| Interest | 1,428 | - | - | 1,428 |
| Advertising | - | 3,619 | - | 3,619 |
| Bank fees | - | 445 | - | 445 |
| Dues and subscriptions | - | 150 | - | 150 |
| Licenses | - | - | - | - |
| Contract services | - | 1,166 | - | 1,166 |
| Depreciation | - | 212 | - | 212 |
| Storage | - | - | - | - |
| Meeting expenses | - | 897 | - | 897 |
| Postage and mailing | - | 1,448 | - | 1,448 |
| Printing | - | 256 | - | 256 |
| Supplies | - | 681 | - | 681 |
| Website expenses | - | 239 | - | 239 |
| Insurance | - | 1,956 | - | 1,956 |
| Travel | - | 2,117 | - | 2,117 |
| Anna's home gala dinner | - | - | - | - |
| Anna's team expenses | - | - | - | - |
| Golf tournament | - | - | 14,505 | 14,505 |
| Halloween event | - | - | 3,302 | 3,302 |
| Ironman | - | - | 10,760 | 10,760 |
| Totals | \$ 71,428 | \$ 13,265 | \$ 28,567 | \$ 113,260 |

See accompanying notes and accountants' compilation report.

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The Anna Schindler Foundation, Inc.
(a nonprofit organization)
Statements of Cash Flows
Years Ended December 2016 and 2015

| | 2016 | 2015 |
|--|-----------|------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ 54,949 | \$ 150,351 |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities: | | |
| Depreciation | 213 | 212 |
| Donated architectural services included in contributions | (5,000) | - |
| Net cash provided operating activities | 50,162 | 150,563 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of capitalized development costs | (91,358) | (7,675) |
| Purchase of land | - | (26,675) |
| Net cash used by investing activities | (91,358) | (34,350) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Repayments of long-term debt | - | (78,750) |
| Net cash used by financing activities | - | (78,750) |
| CHANGE IN CASH AND CASH EQUIVALENTS | (41,196) | 37,463 |
| CASH AND CASH EQUIVALENTS, beginning of year | 115,149 | 77,686 |
| CASH AND CASH EQUIVALENTS, end of year | \$ 73,953 | \$ 115,149 |
| SUPPLEMENTAL DATA: | | |
| Noncash investing and financing activities: | | |
| Note payable for land purchase | \$ - | \$ 78,750 |
| Interest paid | \$ - | \$ 1,428 |

See accompanying notes and accountants' compilation report.

The Anna Schindler Foundation, Inc.
(A Nonprofit Foundation)
Notes to Financial Statements
December 31, 2016 and 2015

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foundation and Nature of Activities

The Anna Schindler Foundation, Inc. (the "Foundation") was incorporated on January 31, 2011, as an Idaho non-profit corporation created for the purpose of supporting families fighting childhood cancer in the Inland Northwest and to raise money for research and awareness of cancer.

The Foundation is a nonprofit Foundation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

Basis of Accounting

The accompanying financial statements are presented in accordance with standards for not-for-profit organizations adopted by the Financial Accounting Standards Board. They are presented on the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, Not-For-Profit Entities – Presentation of Financial Statements. Under FASB ASC 958-205, the Foundation is required to report 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.

Unrestricted net assets:

Net assets are not subject to donor-imposed restrictions. All revenues, expenses, gains, and losses that are not changes in temporarily or permanently restricted net assets are considered unrestricted.

Temporarily restricted net assets:

Net assets are subject to donor-imposed restrictions that will be met by actions of the Foundation or the passage of time. This includes gifts as well as income, net gains, and losses accruing on those gifts, whose use by the Foundation is subject to donor-imposed stipulations. If a restriction is fulfilled in the same period in which the contribution is received, the Foundation reports the contribution as unrestricted net assets.

Permanently restricted net assets:

Net assets are subject to donor-imposed restrictions that are permanently maintained by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes. This includes gifts, trusts, and contributions that by donor restriction require the corpus to be invested in perpetuity.

See accountants' compilation report.

The Anna Schindler Foundation, Inc.
(A Nonprofit Foundation)
Notes to Financial Statements
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

The Foundation accounts for contributions in accordance with recommendations of the FASB ASC 958-605, Not-For-Profit Entities – Revenue Recognition. In accordance with FASB ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence 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. When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the Foundation's policy to apply those expenses to restricted net assets to the extent such are available and then to unrestricted net assets. Donations of stock are valued at the date of donation.

Income Taxes

The Anna Schindler Foundation, Inc. has been classified as an other-than-private foundation and is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. The Foundation is, however, subject to a tax on income from any unrelated business income.

On January 31, 2011, the Foundation adopted the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2013.

Financial Risk

The Foundation maintains its cash in bank deposit accounts and savings accounts, which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant financial risk on cash balances.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See accountants' compilation report.

The Anna Schindler Foundation, Inc.
(A Nonprofit Foundation)
Notes to Financial Statements
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the statement of cash flows the Foundation considers all highly liquid investments with a maturity date of less than 90 days when purchased to be cash equivalents.

Pledges Receivable

Unconditional promises to give are recognized as revenues in the period received and as assets. Promises to give are recorded at net realizable value and are expected to be collected within one year. No allowance for collection losses is considered necessary or determinable. No receivables have been pledged.

Property and Equipment

Purchased property and equipment are capitalized at cost. Donated assets are recorded at fair market value on the date of donation. The Foundation's general policy is to capitalize expenditures for these items that are in excess of \$250 and have a useful life in excess of one year. Property and Equipment are being depreciated over estimated useful lives of five to forty years using the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. Depreciation expense for 2016 and 2015 was \$213 and \$212, respectively.

Public Support and Revenue

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value.

An allowance for uncollectible unconditional promises is provided based on prior years' experience and management's analysis of specific promises made.

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There were no promises receivable at December 31, 2016 and 2015; therefore, there was also no allowance at that time.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

See accountants' compilation report.

The Anna Schindler Foundation, Inc.
(A Nonprofit Foundation)
Notes to Financial Statements
December 31, 2016 and 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Program Services

Program Services for the organization involves providing assistance of living costs, lodging, meals, and other incidental expenses for families of children with cancer.

Contributed Services

A significant portion of the Foundation's functions is conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under FASB ASC 958-605.

In-Kind Support

The Organization received donations from a several sources for services in the furtherance of its objectives. The in-kind support consists principally of discounts on services of professionals. When an objective basis with which to measure in-kind support is available, the support is recorded at its fair value on the date of donation. During the years ending December 31, 2016 and 2015 the Organization received donated services valued at \$750 and \$5,750, respectively.

Allocated Administrative Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising and Promotion

The Foundation expenses general advertising and promotion costs when incurred. Advertising and promotion expenses for the years ended December 31, 2016 and 2015 were \$1,253 and \$3,619 respectively.

NOTE 2 – CASH AND CASH EQUIVALENTS

The Foundation maintains cash in checking accounts and savings accounts. Cash book balances consist of the following as of December 31, 2016 and 2015:

| | | |
|-------------------|------------------|-------------------|
| Checking accounts | \$ 70,659 | \$ 96,833 |
| Savings accounts | 3,294 | 18,316 |
| Total | <u>\$ 73,953</u> | <u>\$ 115,149</u> |

The Foundation's cash is covered by FDIC insurance on deposits up to \$250,000 per bank for checking accounts and \$250,000 per bank for time and savings accounts combined. At the balance sheet dates, this coverage was not exceeded. Because the Foundation has not issued securities for their deposits, the banks have not been assigned risk categories.

See accountants' compilation report.

The Anna Schindler Foundation, Inc.
(A Nonprofit Foundation)
Notes to Financial Statements
December 31, 2016 and 2015

NOTE 3 – RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2016 and 2015 total \$605 and \$1,473, respectively, and consist of contributions, grants, and other unexpended revenues and gains available for specific program services and future periods, as follows:

| | <u>2016</u> | <u>2015</u> |
|-----------------------------------|-------------|-------------|
| Kootenai/Shoshone Family Services | \$ 605 | \$ 1,473 |

NOTE 4 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 5 – LONG TERM OBLIGATIONS

On August 4, 2015 the Organization obtained a loan in the amount of \$78,750 with a 5.5% interest rate and a 20 year amortization. Payments of \$541.73 are due monthly. The note is collateralized by land owned by the Foundation carried at a cost of \$105,425, which is included in capital assets on the statements of financial position. On December 9, 2015 the note was paid in full.

NOTE 6 – SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through January 27, 2017 the date which the financial statements were available to be issued.

See accountants' compilation report.