



SIMON'S FUND
FINANCIAL STATEMENTS
JUNE 30, 2017

SIMON'S FUND

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Simon's Fund
Plymouth Meeting, Pennsylvania

We have audited the accompanying financial statements of Simon's Fund (a non-profit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year 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

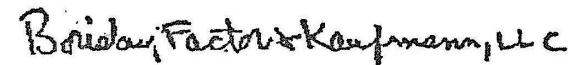
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 Simon's Fund as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.


November 29, 2017

SIMON'S FUND

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2017

ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents	\$ 454,271
Prepaid Expenses	<u>18,119</u>
 Total Assets	 <u>\$ 472,390</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts Payable and Accrued Expenses	\$ 5,550
Credit Card Payable	6,080
Deferred Revenue	<u>34,360</u>
	<u>45,990</u>

NET ASSETS:

Unrestricted	224,377
Temporarily Restricted	<u>202,023</u>
 Total Net Assets	 <u>426,400</u>
 Total Liabilities and Net Assets	 <u>\$ 472,390</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

SIMON'S FUND

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND SUPPORT:			
Contributions:			
Corporations	\$ 25,024	\$ -	\$ 25,024
Individuals	34,429	-	34,429
Foundations	25,475	35,000	60,475
Program Services:			
Heart Screenings	13,360	-	13,360
GotAED	3,783	-	3,783
HeartBytes Registry	5,000	-	5,000
Donated Services	93,540	-	93,540
Fundraising:			
Simon's Soiree	194,958	-	194,958
Simon Says Run	11,769	-	11,769
Simon Says Golf	39,220	-	39,220
Note and Tribute Cards	550	-	550
Third Party Special Events	18,486	-	18,486
Investment Income	706	65	771
Released from Restriction by Time or Purpose	8,500	(8,500)	-
TOTAL REVENUES AND SUPPORT	<u>474,800</u>	<u>26,565</u>	<u>501,365</u>
EXPENSES:			
Program Services	278,611	-	278,611
Management and General	49,157	-	49,157
Fundraising	169,289	-	169,289
TOTAL EXPENSES	<u>497,057</u>	<u>-</u>	<u>497,057</u>
INCREASE (DECREASE) IN NET ASSETS	(22,257)	26,565	4,308
NET ASSETS - BEGINNING OF PERIOD	<u>246,634</u>	<u>175,458</u>	<u>422,092</u>
NET ASSETS - END OF PERIOD	<u>\$ 224,377</u>	<u>\$ 202,023</u>	<u>\$ 426,400</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

SIMON'S FUND

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Bank and Credit Card Charges	\$ -	\$ -	\$ 2,471	\$ 2,471
Computer Software and Expense	3,315	605	3,060	6,980
Conferences and Seminars	6,476	-	-	6,476
Donated Services	93,540	-	-	93,540
Insurance	-	1,436	-	1,436
Licenses	-	150	-	150
Marketing and Promotion	42,023	-	12,310	54,333
Meals and Entertainment	339	-	2,733	3,072
Miscellaneous Event Expenses	-	-	4,367	4,367
Office Supplies and Expense	1,250	3,434	-	4,684
Payroll Service	390	420	360	1,170
Postage and Delivery	-	590	703	1,293
Professional Fees	-	9,885	3,650	13,535
Program Expenses:				
Detection	3,735	-	-	3,735
Innovation	19,551	-	-	19,551
Reaction	38,921	-	-	38,921
Education	13,333	-	-	13,333
Rent	-	3,600	-	3,600
Salaries and Wages:				
Executive Director	44,100	7,350	22,050	73,500
Operations Manager	-	15,000	10,000	25,000
Director of Cause Marketing	-	-	22,459	22,459
Payroll Taxes	3,858	2,830	3,894	10,582
Telephone	1,200	1,300	1,000	3,500
Travel	6,580	2,557	2,384	11,521
Venue, Entertainment and Food	-	-	77,848	77,848
	<u>\$ 278,611</u>	<u>\$ 49,157</u>	<u>\$ 169,289</u>	<u>\$ 497,057</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

SIMON'S FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in Net Assets	\$ 4,308
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
(Increase) Decrease in:	
Accounts Receivable	5,000
Prepaid Expenses	(3,054)
Increase (Decrease) in:	
Accounts Payable and Accrued Expenses	5,550
Credit Card Payable	(2,311)
Deferred Revenue	<u>(840)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES AND NET INCREASE IN CASH	 8,653
 CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	 <u>445,618</u>
 CASH AND CASH EQUIVALENTS - END OF PERIOD	 <u>\$ 454,271</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Nature of Activities

Simon's Fund (the "Organization") was incorporated as a tax-exempt 501(c)(3) not-for-profit Pennsylvania corporation to raise awareness about the warning signs and conditions that lead to sudden cardiac arrest and death in children. The Organization's activities include providing free heart screenings to children, advocating for life-saving legislation, hosting awareness events, and promoting research. Contributions from individuals, corporations and foundations and fundraising events are the Organization's primary sources of revenue.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, Not-for-Profit Organizations. Under ASC No.958, Simon's Fund 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.

C. Basis of Accounting

The financial statements are presented on the accrual basis of accounting.

D. Cash and Cash Equivalents

Cash equivalents include cash on hand and in banks. For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

E. Fair Value of Financial Instruments

The Organization's financial instruments consist of cash, prepaid expenses and payables. The carrying value for all such instruments, considering the terms, approximates fair value at June 30, 2017.

F. Functional Allocation of Expenses

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

(Continued)

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

G. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

H. Revenue Recognition

Contributions received are recorded as increases in unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 and reported in the Statement of Activities as net assets released from restrictions.

I. Noncash Contributions/Volunteer Services

Simon's Fund is operated by one full-time and two part-time employees, but relies heavily on the efforts of volunteers, particularly for the heart-screening program. No amounts have been reflected in the statement of activities for these services in that they do not meet the criteria for recognition.

Donated services are recognized as contributions in accordance with Accounting Standard Codification (ASC) No. 958, Not-for-Profit Organizations if the services either create or enhance non-financial assets or require specialized skills when performed by people with those skills and would otherwise be purchased by the Organization.

(Continued)

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

I. Noncash Contributions/Volunteer Services (Continued)

During the year ended June 30, 2017, Simon's Fund received donated services from businesses and individuals which meet the requirements for disclosure under SFAS 116, *Accounting for Contributions Received and Contributions Made*. These services include the following:

1. Medical Equipment – Simon's Fund was provided with medical equipment for use during its five heart screenings throughout the year. The value of these services is estimated to be \$14,300 for the year ended June 30, 2017.
2. Medical Professionals – Cardiologists, sports physicians and nurses donated their time and experience to Simon's Fund by assisting during its five heart screenings throughout the year. The value of these services is estimated to be \$56,400 for the year ended June 30, 2017.
3. Digital Registry – Several companies donated their time and services to maintain HeartBytes, a youth cardiac registry for seemingly healthy children. The registry streamlines the heart screening process and gathers data for research. Companies have donated software and services in the estimated amount of \$22,840 for the year ended June 30, 2017.

J. Income Taxes

The Organization is exempt from Federal and Pennsylvania income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)A and has been classified as an organization other than a private foundation under Section 509(a)(2). Accordingly, no income tax provision has been made in these financial statements.

The Organization recognizes the potential income tax and any related penalties and interest arising from uncertain tax positions using a recognition threshold of more likely that not to be sustained upon examination by the appropriate authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Potential interest and penalties are recognized as a component of the provisions for income taxes. The Organization has concluded that there are no taxes, penalties or interest resulting from uncertain positions that would materially impact the financial statements at June 30, 2017.

(Continued)

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

J. Income Taxes (Continued)

The Organization's tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2014 to 2017 and it believes that its current tax positions are appropriate based on the current facts and circumstances.

K. Marketing and Promotion Costs

The Organization expenses advertising costs as incurred. Marketing and promotion costs include general advertising, marketing, public relations, and website maintenance. Marketing and promotion expense for the year ended June 30, 2017 was \$54,333.

2. CONCENTRATION OF CREDIT RISK:

The Organization's financial instruments that are exposed to concentration of credit risk consist solely of cash. The Organization places its cash and temporary cash investments with high quality institutions. At times, such investments may be in excess of the \$250,000 Federal Deposit Insurance Corporation insurance limit. At June 30, 2017, the Organization's cash balances did not exceed this limit.

3. COMMITMENTS:

In October 2015, Simon's Fund entered into a sublease agreement to sublet furnished office space in Conshohocken, Pennsylvania for \$300 a month, including utilities. The lease is currently month-to-month and is cancelable at any time by either party with one month written notice. Rent expense for the period ending June 30, 2017 was \$3,600.

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

4. DEFERRED REVENUE:

Deferred revenue in the amount of \$34,360 is comprised of deferred event revenue and deferred license fees as described below:

In July 2017, Simon's Fund hosted a fundraising event, Simon Says Golf. Because the Organization's fiscal year ends on June 30, a significant portion of the revenue from this event was received in May and June, 2017. Therefore, recognition of this revenue is deferred until the fiscal year in which the event takes place. As of June 30, 2017, deferred revenue from this event was \$30,610.

Over the past several years, Simon's Fund has worked with medical professionals and software developers to create 'Heartbytes', a national youth cardiac registry containing medical history, family history, vitals, electrocardiograms and echocardiograms. This database is used by Simon's Fund to collect the data obtained at its screenings, and has been made available to other organizations conducting screenings in order to grow the database of information available for medical research. The software developer requires that each organization that uses the registry pay a two-year license fee for this software. Simon's Fund pays the developer for the other organizations' license fees, and receives revenue from the organizations for a portion of the license. The remaining portion of the license fee is subsidized by Simon's Fund. Because the license is for a two-year period, the portion of the license revenue that is received by Simon's Fund from other organizations that applies to future years is deferred. As of June 30, 2017 deferred license revenues was \$3,750.

5. TEMPORARILY RESTRICTED NET ASSETS:

During the fiscal year ended June 30, 2017, Simon's Fund received \$35,000 in grants from private organizations with use restrictions. During the current fiscal year, \$8,500 was released from restriction as the money was used for the specified purpose. The following summarizes the grants with use restrictions, the amount used for the specific purpose and the remaining restrictions during the fiscal year ended June 30, 2017:

Temporarily restricted assets whose use is limited are composed of cash that is held in a separate account from operating funds.

(Continued)

SIMON'S FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

5. TEMPORARILY RESTRICTED NET ASSETS (CONTINUED):

	<u>Grant Amount</u>	<u>Interest Earned On Funds</u>	<u>Amount Used In Prior Years</u>	<u>Amount Used FYE 6/30/17</u>	<u>Restricted Amount Remaining</u>
Subsidize Heartbytes License Costs for Other Organizations	\$ 150,000	\$ 57	\$ (15,000)	\$ -	\$ 135,057
Marketing Student Internship	25,000	10	(1,500)	(3,500)	20,010
Checking Hearts of City Kids	25,000	8	-	-	25,008
Heart Screenings	10,000	3	-	-	10,003
Special Projects Yet to be Decided upon by Third Party	<u>16,939</u>	<u>6</u>	<u>-</u>	<u>(5,000)</u>	<u>11,945</u>
Total:	<u>\$ 226,939</u>	<u>\$ 84</u>	<u>\$ (16,500)</u>	<u>\$ (8,500)</u>	<u>\$ 202,023</u>

6. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through November 29, 2017, the date that these financial statements were available for distribution. No significant events have been identified that would require adjustment of or disclosure in the accompanying financial statements.