

**SOCIETY FOR NEURO-ONCOLOGY**

**FINANCIAL STATEMENTS  
AND AUDITOR'S REPORT**

**YEARS ENDED JUNE 30, 2012, and 2011**

**Durio & Company, P.C.**  
*Certified Public Accountants*

# SOCIETY FOR NEURO-ONCOLOGY

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### INDEPENDENT AUDITOR'S REPORT

Directors and Members  
Society For Neuro-Oncology  
Houston, Texas

We have audited the accompanying statement of financial position of Society for Neuro-Oncology as of June 30, 2012 and 2011, and the related statements of activities, cash flows and expenses for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**In our opinion**, the statements referred to above present fairly, in all material respects, the financial position of Society for Neuro-Oncology as of June 30, 2012 and 2011, and the results of its activities and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of expenses for the years ended June 30, 2012 and 2011, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Durio & Company, P.C.*

May 20, 2013



# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF FINANCIAL POSITION

June 30, 2012 and 2011

	<u>ASSETS</u>	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>			
Cash and cash equivalents		\$ 1,239,556	\$ 832,894
Investments		677,295	706,043
Contributions receivable - Short-term		48,100	43,950
Endowment Assets		<u>154,697</u>	<u>153,555</u>
Total Assets		<u>\$ 2,119,648</u>	<u>\$ 1,736,442</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>			
<b>LIABILITIES</b>			
Accounts payable & accrued expenses		\$ 166,125	\$ 155,780
Payroll liabilities		29	4,003
Deferred revenue		38,735	74,535
Journal publishing liability		<u>25,001</u>	<u>75,001</u>
Total Liabilities		<u>229,890</u>	<u>309,319</u>
 <b>NET ASSETS</b>			
Unrestricted:			
Designated		64,197	63,055
Undesignated		1,735,061	1,273,568
Permanently restricted		<u>90,500</u>	<u>90,500</u>
Total Net Assets		<u>1,889,758</u>	<u>1,427,123</u>
Total Liabilities and Net Assets		<u>\$ 2,119,648</u>	<u>\$ 1,736,442</u>

See the accompanying Notes to Financial Statements

# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF ACTIVITIES

Year ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions and grants	\$ 1,021,538	\$		\$ 1,021,538
Membership dues	239,969			239,969
Educational Conferences	622,385			622,385
Investment earnings/(loss)	(28,282)			(28,282)
Endowment earnings	1,142			1,142
Total Revenues & Support	<u>1,856,752</u>	<u>                    </u>	<u>                    </u>	<u>1,856,752</u>
<b>EXPENSES</b>				
Program Services:				
Journal	291,644			291,644
Victor Levin Founders Society	41,323			41,323
Educational Conferences	841,952			841,952
Membership	55,177			55,177
	<u>1,230,096</u>	<u>                    </u>	<u>                    </u>	<u>1,230,096</u>
Supporting Services:				
Management and general	142,910			142,910
Fund raising	21,111			21,111
	<u>164,021</u>	<u>                    </u>	<u>                    </u>	<u>164,021</u>
Total Expenses	<u>1,394,117</u>	<u>                    </u>	<u>                    </u>	<u>1,394,117</u>
<b>CHANGE IN NET ASSETS - FYE JUNE 30, 2012</b>	462,635		-	462,635
<b>NET ASSETS - JUNE 30, 2011</b>	<u>1,336,623</u>	<u>                    </u>	<u>90,500</u>	<u>1,427,123</u>
<b>NET ASSETS - JUNE 30, 2012</b>	<u>\$ 1,799,258</u>	<u>\$ -</u>	<u>\$ 90,500</u>	<u>\$ 1,889,758</u>

See the accompanying Notes to Financial Statements

# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF ACTIVITIES

Year ended June 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions and grants	\$ 545,252	\$	\$	\$ 545,252
Membership dues	215,780			215,780
Educational conferences	604,280			604,280
Journal income	187,424			187,424
Investment earnings/(loss)	124,080			124,080
Endowment earnings/(loss)	32,614			32,614
Total Revenues & Support	<u>1,709,430</u>			<u>1,709,430</u>
<b>EXPENSES</b>				
Program Services:				
Journal	270,238			270,238
Victor Levin Founders Society	38,283			38,283
Educational conferences	761,642			761,642
Membership	58,176			58,176
	<u>1,128,339</u>			<u>1,128,339</u>
Supporting Services:				
Management and general	121,484			121,484
Fund raising	18,050			18,050
	<u>139,534</u>			<u>139,534</u>
Total Expenses	<u>1,267,873</u>			<u>1,267,873</u>
<b>CHANGE IN NET ASSETS - FYE JUNE 30, 2011</b>	441,557			441,557
<b>NET ASSETS - JUNE 30, 2010</b>	<u>895,066</u>		<u>90,500</u>	<u>985,566</u>
<b>NET ASSETS - JUNE 30, 2011</b>	<u>\$ 1,336,623</u>	<u>\$ -</u>	<u>\$ 90,500</u>	<u>\$ 1,427,123</u>

See the accompanying Notes to Financial Statements

# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF CASH FLOWS

Year ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 462,635	\$ 441,557
(Increase)/decrease in operating assets:		
Investments	28,748	(123,797)
Contributions receivable - Short-term	(4,150)	41,100
Endowment assets	(1,142)	(32,615)
Increase/(decrease) in operating liabilities:		
Accounts payable	10,345	22,656
Payroll Liabilities	(3,974)	(18,229)
Deferred revenue	(35,800)	72,800
Duke University Press Liability	<u>(50,000)</u>	<u>(45,704)</u>
Net Cash Provided By Operating Activities	<u>406,662</u>	<u>357,768</u>
<b>NET INCREASE IN CASH</b>	406,662	357,768
<b>CASH - BEGINNING OF YEAR</b>	<u>832,894</u>	<u>475,126</u>
<b>CASH - END OF YEAR</b>	<u>\$ 1,239,556</u>	<u>\$ 832,894</u>

See the accompanying Notes to Financial Statements

**SOCIETY FOR NEURO-ONCOLOGY**  
**STATEMENT OF EXPENSES**

Year ended June 30, 2012

	<u>Journal</u>	<u>Society</u>	<u>Conferences</u>	<u>Membership</u>	<u>Management &amp; General</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
Accounting	\$	\$	\$	\$	\$	\$	\$
Audit					33,404		33,404
Awards		21,770			10,500		10,500
Bank Charges					32,757		32,757
Board of Directors			1,385				1,385
Consulting Fees		830					830
Insurance					1,849		1,849
International Outreach			9,000				9,000
Journal Expenses	995						995
Journal Editorial Office	96,000						96,000
Journal Subscriptions	159,700						159,700
Legal Fees							-
Meeting Expenses			711,911				711,911
Office Expenses			3,346	7,096	8,073		18,515
Office Supplies			200	232	17,084		17,516
Postage & delivery				325	432		757
Printing & Copying					4,000		4,000
Salaries and Related Expense	34,305	15,833	116,110	47,500	29,028	21,111	263,887
Telephone	644	2,890		24	1,158		4,716
Web Page	-	-	-	-	4,625	-	4,625
	<u>\$ 291,644</u>	<u>\$ 41,323</u>	<u>\$ 841,952</u>	<u>\$ 55,177</u>	<u>\$ 142,910</u>	<u>\$ 21,111</u>	<u>\$ 1,394,117</u>

See the accompanying Notes to Financial Statements



# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF EXPENSES

Year ended June 30, 2011

	<u>Journal</u>	<u>Founders Society</u>	<u>Educational Conferences</u>	<u>Membership</u>	<u>Management &amp; General</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
Accounting	\$		\$	\$	\$	\$	\$
Audit					32,238		32,238
Awards		24,759			10,500		35,259
Bank Charges					27,694		27,694
Board of Directors				3,252			3,252
Consulting Fees	920						920
Insurance					1,857		1,857
International Outreach			59,000				59,000
Journal Expenses	717						717
Journal Editorial Office	91,990						91,990
Journal Subscriptions	142,925						142,925
Meeting Expenses	4,106						4,106
Office Expenses				9,435	2,043		11,478
Office Supplies					6,975		6,975
Postage & delivery					312		312
Printing & Copying					12,701		12,701
Salaries and Related Expense	29,300	13,524		40,570	24,793	18,031	126,228
Telephone	280				2,136	19	2,435
Web Page	-	-	4,920	4,919	235	-	9,974
	<u>\$ 270,238</u>	<u>\$ 38,283</u>	<u>\$ 761,642</u>	<u>\$ 58,176</u>	<u>\$ 121,484</u>	<u>\$ 18,050</u>	<u>\$ 1,267,873</u>

See the accompanying Notes to Financial Statements

**SOCIETY FOR NEURO-ONCOLOGY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2012, and 2011**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies followed by Society For Neuro-Oncology. are described below to enhance the usefulness of the financial statements to the reader. The objective of the organization is to promote advances in neuro-oncology through research and education, without regard for financial gain. Unlike the financial statements of profit-motivated entities, this report places primary emphasis on the stewardship and use of assets rather than income determination.

Reporting Entity

Society for Neuro-Oncology is a multi-disciplinary organization dedicated to promoting advances in neuro-oncology through research and education. The entity strives to reduce the incidence of brain tumors, improve cure rates, and enhance quality of life. The organization operates exclusively for educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Membership is drawn from many disciplines, including epidemiology, medical oncology, neuro-oncology, neurosurgery, pathology, pediatrics, psychology, radiology, radiation oncology, and basic science.

Deferred Revenue

Amounts reported on the balance sheets as deferred revenues represent contributions and membership dues that apply to a subsequent year.

Income Taxes

Society for Neuro-Oncology is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined that the organization qualifies as a public charity and is not a private foundation within the meaning of Section 509(a) of the Code.

Cash and Cash Equivalents

Cash that has been restricted by the donor to be maintained inviolate and in perpetuity is not included in the captions "cash" as used in these financial statements. "Cash equivalents" are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash, and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Estimates

Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

**SOCIETY FOR NEURO-ONCOLOGY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012, and 2011**

**NOTE 2: INVESTMENT ASSETS AND INVESTMENT EARNINGS**

As of June 30, 2012 and 2011, the investment assets and investment earnings consisted of the following.

	<u>2012</u>	<u>2011</u>
<u>Investment Assets</u>		
Money Market	\$ 9,749	\$ 4,251
Equities	671,962	699,697
Fixed Income	<u>150,281</u>	<u>155,650</u>
	<u>\$831,992</u>	<u>\$859,598</u>
Unrestricted investments	\$677,295	\$706,043
Endowment assets	<u>154,697</u>	<u>153,555</u>
	<u>\$831,992</u>	<u>\$859,598</u>
<u>Investment Earnings</u>		
Dividend and interest income	\$ 55,507	\$ 42,110
Realized gain/(loss) on sale of securities	(21,200)	2,550
Unrealized gain/(loss) on securities	<u>(61,447)</u>	<u>112,034</u>
	<u>\$(27,140)</u>	<u>\$156,694</u>
Unrestricted earnings/(loss)	\$(28,282)	\$124,080
Endowment earnings	<u>1,142</u>	<u>32,614</u>
	<u>\$(27,140)</u>	<u>\$156,694</u>

**NOTE 3: CONTRIBUTIONS RECEIVABLE**

Contributions receivable represent unconditional promises to give by donors. As of June 30, 2012 and 2011, the anticipated dates for collection of the pledges are as follows:

	<u>2012</u>	<u>2011</u>
During fiscal year ended:		
June 30, 2012	\$ -	\$43,950
June 30, 2013	<u>48,100</u>	<u>-</u>
	<u>\$48,100</u>	<u>\$43,950</u>

**SOCIETY FOR NEURO-ONCOLOGY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012, and 2011**

**NOTE 4: JOURNAL PUBLISHING LIABILITY**

Oxford University Press

Society for Neuro-Oncology signed a five year Journal Publishing Agreement, dated October 2, 2009, with Oxford University Press to publish the Neuro-Oncology journal. This decision was made to secure favorable future revenue payments resulting from additional journal publication and corresponding membership growth.

Duke University Press

Society of Neuro-Oncology signed a Compromise Settlement Agreement and Release, dated August 6, 2009 with Duke University Press, which publishes the Neuro-Oncology journal. The remaining liability due to this Agreement is \$25,001, as of June 30, 2012, and \$75,001 as of June 30, 2011.

**NOTE 5: NET ASSETS**

Unrestricted Net Assets - Designated

Unrestricted designated net assets represent amounts designated by the organization to be added to its endowment assets. The amounts so designated are not subject to donor restrictions, and may be utilized for other purposes in the future if the organization so chooses. As of June 30, 2012 and 2011, the unrestricted designated net assets amounted to \$64,197 and \$63,055 respectively.

Permanently Restricted Net Assets

Donor-imposed stipulations require that funds in The Victor Levin Founders Society Endowment be maintained and invested permanently by the organization to continue the mission of the organization. Earnings generated by these invested assets may be used for support of Society of Neuro-Oncology. Permanently restricted net assets amounted to \$90,500 as of June 30, 2012 and 2011.