

**SOCIETY FOR NEURO-ONCOLOGY**

**FINANCIAL STATEMENTS  
AND AUDITOR'S REPORT**

**YEARS ENDED JUNE 30, 2015, and 2014**

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

# SOCIETY FOR NEURO-ONCOLOGY

## CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF FINANCIAL POSITION June 30, 2015, and 2014	2
STATEMENT OF ACTIVITIES Year ended June 30, 2015	3
STATEMENT OF ACTIVITIES Year ended June 30, 2014	4
STATEMENT OF CASH FLOWS Years ended June 30, 2015, and 2014	5
STATEMENT OF EXPENSES Year ended June 30, 2015	6
STATEMENT OF EXPENSES Year ended June 30, 2014	7
NOTES TO FINANCIAL STATEMENTS June 30, 2015, and 2014	8 - 10

## Durio & Company

*Certified Public Accountants*  
PROFESSIONAL CORPORATION

6575 WEST LOOP SOUTH, SUITE 400  
BELLAIRE, TEXAS 77401-3512

PHONE: (713) 661-5290  
FAX: (713) 661-1705  
E-MAIL: FIRM@DURIO.PRO  
INTERNET: WWW.DURIO.PRO

### INDEPENDENT AUDITOR'S REPORT

Directors and Members  
Society For Neuro-Oncology  
Houston, Texas

We have audited the accompanying financial statements of Society for Neuro-Oncology (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015 and 2014, and the related statements of activities, cash flows and functional expenses 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 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 from material misstatement. An audit involves performing procedures to obtain 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 presentations 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 Society for Neuro-Oncology as of June 30, 2015 and 2014, 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.

*Durio & Company, P.C.*

August 26, 2016



**SOCIETY FOR NEURO-ONCOLOGY**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2015 and 2014**

	<b><u>ASSETS</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>ASSETS</b>			
Cash and cash equivalents		\$ 934,927	\$ 1,844,191
Investments		2,065,342	838,720
Contributions receivable - Short-term		249,875	84,925
Prepaid expenses		5,473	5,473
Endowment assets		<u>228,900</u>	<u>216,787</u>
Total Assets		<u>\$ 3,484,517</u>	<u>\$ 2,990,096</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>			
<b>LIABILITIES</b>			
Accounts payable & accrued expenses		\$ 177,788	\$ 235,085
Deferred revenue		<u>391,000</u>	<u>229,135</u>
Total Liabilities		<u>568,788</u>	<u>464,220</u>
 <b>NET ASSETS</b>			
Unrestricted:			
Designated		136,500	124,737
Undesignated		2,686,829	2,309,089
Permanently restricted		<u>92,400</u>	<u>92,050</u>
Total Net Assets		<u>2,915,729</u>	<u>2,525,876</u>
Total Liabilities and Net Assets		<u>\$ 3,484,517</u>	<u>\$ 2,990,096</u>

See the accompanying Notes to Financial Statements

# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF ACTIVITIES

Year ended June 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions and grants	\$ 624,015	\$	\$ 350	\$ 624,365
Membership dues	423,549			423,549
Educational Conferences	1,833,810			1,833,810
Investment earnings/(loss)	(22,812)			(22,812)
Endowment earnings	11,972	-	-	11,972
Total Revenues & Support	2,870,534	-	350	2,870,884
<b>EXPENSES</b>				
Program Services:				
Journal	169,887			169,887
Victor Levin Founders Society	74,654			74,654
Educational Conferences	1,844,397			1,844,397
Membership	47,018			47,018
	2,135,956	-	-	2,135,956
Supporting Services:				
Management and general	307,428			307,428
Fund raising	37,647			37,647
	345,075	-	-	345,075
	-			-
Total Expenses	2,481,031	-	-	2,481,031
<b>CHANGE IN NET ASSETS - FYE JUNE 30, 2015</b>	389,503		350	389,853
<b>NET ASSETS - JUNE 30, 2014</b>	2,433,826	-	92,050	2,525,876
<b>NET ASSETS - JUNE 30, 2015</b>	\$ 2,823,329	\$ -	\$ 92,400	\$ 2,915,729

See the accompanying Notes to Financial Statements

# SOCIETY FOR NEURO-ONCOLOGY

## STATEMENT OF ACTIVITIES

Year ended June 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions and grants	\$ 330,900	\$	\$ 500	\$ 331,400
Membership dues	395,385			395,385
Educational Conferences	1,505,342			1,505,342
Investment earnings	175,879			175,879
Endowment earnings	5,424	-	-	5,424
Total Revenues & Support	2,412,930	-	500	2,413,430
<b>EXPENSES</b>				
Program Services:				
Journal	301,377			301,377
Victor Levin Founders Society	113,679			113,679
Educational Conferences	1,267,271			1,267,271
Membership	39,514			39,514
	1,721,841	-	-	1,721,841
Supporting Services:				
Management and general	256,347			256,347
Fund raising	34,482			34,482
	290,829	-	-	290,829
Total Expenses	2,012,670	-	-	2,012,670
<b>CHANGE IN NET ASSETS - FYE JUNE 30, 2014</b>	400,260		500	400,760
<b>NET ASSETS - JUNE 30, 2013</b>	2,033,566	-	91,550	2,125,116
<b>NET ASSETS - JUNE 30, 2014</b>	\$ 2,433,826	\$ -	\$ 92,050	\$ 2,525,876

See the accompanying Notes to Financial Statements

**SOCIETY FOR NEURO-ONCOLOGY**

**STATEMENT OF CASH FLOWS**

**Year ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 389,853	\$ 400,760
(Increase)/decrease in operating assets:		
Investments - From earnings	22,812	(175,879)
Investments - From transfers	(1,249,434)	33,922
Contributions receivable - Short-term	(164,950)	(59,775)
Prepaid expenses	-	65,466
Endowment assets	(12,113)	(38,399)
Increase/(decrease) in operating liabilities:		
Accounts payable & accrued expenses	(57,297)	38,915
Payroll Liabilities	-	-
Deferred revenue	<u>161,865</u>	<u>175,435</u>
Net Cash Provided By Operating Activities	<u>(909,264)</u>	<u>440,445</u>
<b>NET INCREASE IN CASH</b>	(909,264)	440,445
<b>CASH - BEGINNING OF YEAR</b>	<u>1,844,191</u>	<u>1,403,746</u>
<b>CASH - END OF YEAR</b>	<u>\$ 934,927</u>	<u>\$ 1,844,191</u>

See the accompanying Notes to Financial Statements

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

Year ended June 30, 2015

	Program Services					
	Journal	Founders Society	Conferences	Membership	Management & General	Fund Raising
						<u>Expenses</u>
Accounting					\$ 56,421	\$ 56,421
Audit					10,500	10,500
Awards		71,610			74,618	71,610
Bank & Credit Card Fees					13,618	74,618
Board of Directors					1,120	13,618
Consulting Fees		1,120			1,050	1,120
Insurance					5,652	1,050
International Outreach						5,652
Journal Expenses	157,769					157,769
Journal Editorial Office						-
Journal Subscriptions						-
Legal Fees					1,860	1,860
Meeting Expenses			1,560,457			1,560,457
Office Expenses			13,052		19,857	32,909
Office Supplies			189		14,411	14,600
Postage & delivery			1,282		2	1,284
Printing & Copying					812	812
Rent					12,831	12,831
Salaries and Related Expense	11,868	1,924	261,417	45,547	63,932	37,624
Taxes						-
Telephone	250				344	23
Web Page	-	-	-	-	37,172	-
	<u>\$ 169,887</u>	<u>\$ 74,654</u>	<u>\$ 1,844,397</u>	<u>\$ 47,018</u>	<u>\$ 307,428</u>	<u>\$ 37,647</u>
						<u>\$ 2,481,031</u>

See the accompanying Notes to Financial Statements



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

Year ended June 30, 2014

	Program Services					
Journal	Society	Conferences	Membership	Management & General	Fund Raising	Total Expenses
Accounting	\$	\$	\$	\$	\$	\$
Audit				49,055		49,055
Awards		110,000		10,500		10,500
Bank & Credit Card Fees				75,059		110,000
Board of Directors Expenses				4,296		75,059
Consulting Fees		940				4,296
Contract Services				13,260		940
Charitable Contributions		1,000				13,260
Insurance				1,153		1,000
International Outreach						1,153
Journal Expenses Travel	28,689			16,659		16,659
Journal Editorial Office	48,823					28,689
Journal Subscriptions	212,885					48,823
Legal Fees						212,885
Meeting Expenses				991,337		1,350
Office Expenses				15,172		991,337
Office Supplies						22,131
Postage & delivery			743	14,064		14,064
Printing & Copying						743
Salaries and Related Expense	10,692	1,739	38,771	58,012	34,482	411
Telephone	288			2,058		384,450
Web Page	-	-	-	20,170	-	5,695
	\$ 301,377	\$ 113,679	\$ 1,267,271	\$ 256,347	\$ 34,482	\$ 2,012,670

See the accompanying Notes to Financial Statements

**SOCIETY FOR NEURO-ONCOLOGY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015, and 2014**

**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, 2015, and 2014**

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

As of June 30, 2015 and 2014, the investment assets consisted of the following.

	<b><u>2015</u></b>	<b><u>2014</u></b>
<b><u>Investment Assets</u></b>		
Money Market	\$ 103,565	\$ 9,033
Equities	1,900,099	297,695
Fixed Income	<u>290,578</u>	<u>748,779</u>
	<b><u>\$2,294,242</u></b>	<b><u>\$1,055,507</u></b>
Endowment Assets	\$ 228,900	\$ 216,787
Other Investment Assets	<u>2,065,342</u>	<u>838,720</u>
	<b><u>\$2,294,242</u></b>	<b><u>\$1,055,507</u></b>
<b><u>Investment Earnings</u></b>		
Endowment Earnings	\$ 11,972	\$ 5,424
Other Investment Earnings/(Loss)	<u>(22,812)</u>	<u>175,879</u>
	<b><u>\$ (10,840)</u></b>	<b><u>\$ 181,303</u></b>

**NOTE 3: ENDOWMENT**

Society for Neuro-Oncology maintains The Victor Levin Founders Society Endowment to continue the mission of the organization. Earnings generated by these invested assets may be used for support of Society of Neuro-Oncology. Some of the amounts included in the Endowment Investment Assets are restricted by outside donors, and must be maintained in perpetuity. Other amounts were designated to be added to the Endowment Investment Assets by the organization, but may be utilized for other purposes in the future if so desired. The transactions in the Endowment Investment Assets during the fiscal years ended June 30, 2015 and 2014 were as follows:

	<b><u>2015</u></b>	<b><u>2014</u></b>
Balance at beginning of year	\$216,787	\$178,388
Earnings	11,972	5,424
Restricted contributions	350	500
Transfers in/(out)	<u>(209)</u>	<u>32,475</u>
Balance at end of year	<b><u>\$228,900</u></b>	<b><u>\$216,787</u></b>

The cumulative permanently restricted net assets included in the Endowment as of June 30, 2015 and 2014, amounted to \$92,400 and \$92,050 respectively. The cumulative unrestricted designated net assets included in the Endowment as of June 30, 2015 and 2014, amounted to \$136,500 and \$124,737 respectively.

**SOCIETY FOR NEURO-ONCOLOGY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015, and 2014**

**NOTE 4: CONTRIBUTIONS RECEIVABLE**

Contributions receivable represent unconditional promises to give by donors. As of June 30, 2015 and 2014, the balances of contributions receivable were \$249,875 and \$84,925, and are due within one year.

**NOTE 5: NET ASSETS**

Unrestricted Net Assets - Designated & Undesignated

Unrestricted net assets are those that are not subject to donor-imposed stipulations. The Organization has the authority to designate unrestricted net assets for specific uses, and may reallocate such net assets at its discretion.

Designated unrestricted net assets of the Organization as of June 30, 2015 and 2014, amounted to \$136,500 and \$124,737 respectively. The amounts represent resources in the Endowment Investment Assets that are in addition to the donor-imposed resources for the Endowment.

Temporarily Restricted Net Assets

Temporarily restricted net assets are those that are subject to donor-imposed stipulations that require the passage of time or the occurrence of a specific event. The Organization had no temporarily restricted net assets at June 30, 2015 or 2014.

Permanently Restricted Net Assets

Permanently restricted net assets are those with donor-imposed stipulations that require them to be maintained in perpetuity, with only the income available for use in the Organization's activities. At June 30, 2015 and 2014, the amount of permanently restricted net assets amounted to \$92,400 and \$92,050 respectively. The amounts represent resources required to be maintained as The Victor Levin Founders Society Endowment.

**NOTE 6: SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 26, 2016, the date the financial statements were available to be issued. The Organization has determined there are no subsequent events requiring disclosure in the financial statements.