

Cancer Support Community and Subsidiary

Consolidated Financial Statements

December 31, 2013 and 2012

(with Independent Auditors' Report)

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Cancer Support Community and Subsidiary:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Cancer Support Community (a not-for-profit organization) and Subsidiary which comprise the consolidated statement of financial position as of December 31, 2013, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements. We have also audited the accompanying financial statements of Cancer Support Community which comprise the statement of financial position as of December 31, 2012, 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the 2013 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cancer Support Community and Subsidiary as of December 31, 2013, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the 2012 financial statements present fairly, in all material respects, the financial position of Cancer Support Community as of December 31, 2012, 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.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
April 8, 2014

Cancer Support Community and Subsidiary
Consolidated Statements of Financial Position
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets		
Cash and cash equivalents	\$ 5,497,140	5,517,619
Grants receivable	-	25,000
Accounts receivable	1,133,435	954,018
Contributions receivable	58,289	102,666
Prepaid expenses	119,157	176,367
Inventory	12,908	13,707
Property and equipment - net	1,118,834	1,193,751
Intangible assets - net	5,140	6,678
Deposits	<u>46,373</u>	<u>51,557</u>
 Total assets	 \$ <u>7,991,276</u>	 <u>8,041,363</u>
 Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 116,322	143,616
Accrued expenses	124,569	119,192
Due to affiliates	22,568	23,992
Deferred revenue	-	124,055
Other liabilities	<u>55,711</u>	<u>45,297</u>
 Total liabilities	 <u>319,170</u>	 <u>456,152</u>
 Net assets:		
Unrestricted	3,209,706	3,638,470
Temporarily restricted	4,452,400	3,936,741
Permanently restricted	<u>10,000</u>	<u>10,000</u>
 Total net assets	 <u>7,672,106</u>	 <u>7,585,211</u>
 Total liabilities and net assets	 \$ <u>7,991,276</u>	 <u>8,041,363</u>

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statement of Activities
Year Ended December 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and other support:				
Development income	\$ 199,270	16,000	-	215,270
Interest income	10,365	-	-	10,365
Service delivery:				
Program	367,879	570,444	-	938,323
Research and training	605,156	748,995	-	1,354,151
Events and special initiatives	658,281	299,680	-	957,961
Less direct expenses	(226,447)	-	-	(226,447)
Education/Outreach	612,043	393,508	-	1,005,551
Policy/Advocacy	234,957	758,876	-	993,833
Special purpose funds	134,376	-	-	134,376
Affiliate activities	381,168	-	-	381,168
In-kind revenue	48,956	-	-	48,956
Miscellaneous income	59,501	-	-	59,501
Net assets released from restriction	<u>2,271,844</u>	<u>(2,271,844)</u>	<u>-</u>	<u>-</u>
Total revenues and support	<u>5,357,349</u>	<u>515,659</u>	<u>-</u>	<u>5,873,008</u>
Expenses:				
Program services	4,762,757	-	-	4,762,757
Management and general	477,669	-	-	477,669
Fundraising	489,554	-	-	489,554
Operating expenses: PPS	<u>56,133</u>	<u>-</u>	<u>-</u>	<u>56,133</u>
Total expenses	<u>5,786,113</u>	<u>-</u>	<u>-</u>	<u>5,786,113</u>
Change in net assets	(428,764)	515,659	-	86,895
Net assets at beginning of year	<u>3,638,470</u>	<u>3,936,741</u>	<u>10,000</u>	<u>7,585,211</u>
Net assets at end of year	<u>\$ 3,209,706</u>	<u>4,452,400</u>	<u>10,000</u>	<u>7,672,106</u>

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statement of Activities
Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and other support:				
Development income	\$ 299,599	-	-	299,599
Interest income	11,208	-	-	11,208
Service delivery:				
Program	485,966	442,897	-	928,863
Research and training	447,324	400,293	-	847,617
Events and special initiatives	807,216	365,355	-	1,172,571
Less direct expenses	(340,448)	-	-	(340,448)
Education/Outreach	451,742	683,971	-	1,135,713
Policy/Advocacy	444,620	405,380	-	850,000
Special purpose funds	2,191	-	-	2,191
Affiliate activities	348,564	-	-	348,564
In-kind revenue	79,365	-	-	79,365
Miscellaneous income	38,038	-	-	38,038
Net assets released from restriction	<u>2,491,982</u>	<u>(2,491,982)</u>	<u>-</u>	<u>-</u>
Total revenues and support	<u>5,567,367</u>	<u>(194,086)</u>	<u>-</u>	<u>5,373,281</u>
Expenses:				
Program services	4,054,923	-	-	4,054,923
Management and general	583,021	-	-	583,021
Fundraising	<u>512,906</u>	<u>-</u>	<u>-</u>	<u>512,906</u>
Total expenses	<u>5,150,850</u>	<u>-</u>	<u>-</u>	<u>5,150,850</u>
Change in net assets	416,517	(194,086)	-	222,431
Net assets at beginning of year	<u>3,221,953</u>	<u>4,130,827</u>	<u>10,000</u>	<u>7,362,780</u>
Net assets at end of year	<u>\$ 3,638,470</u>	<u>3,936,741</u>	<u>10,000</u>	<u>7,585,211</u>

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended December 31, 2013

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Operating Expenses: PPS	
Salaries and related expenses:					
Salaries	\$ 1,514,926	179,704	237,674	37,500	1,969,804
Payroll taxes and employee benefits	<u>166,650</u>	<u>19,768</u>	<u>26,146</u>	<u>3,998</u>	<u>216,562</u>
Total salaries and related expenses	<u>1,681,576</u>	<u>199,472</u>	<u>263,820</u>	<u>41,498</u>	<u>2,186,366</u>
Other expenses:					
Office expenses	110,569	19,093	10,210	2,051	141,923
Grant expenses	612,547	-	-	-	612,547
Conferences and meetings	53,401	5,753	3,169	-	62,323
Consulting	799,778	54,500	61,142	8,000	923,420
Research and development	230,629	-	-	-	230,629
Dues and subscriptions	23,689	973	24,173	-	48,835
Equipment rental	7,801	1,347	721	-	9,869
Liability insurance	14,004	2,418	1,294	-	17,716
Travel	162,725	27,204	45,646	1,570	237,145
Marketing and recruiting	20,148	2,643	5,037	-	27,828
Postage and delivery	48,190	15,824	7,911	-	71,925
Printing and publications	266,153	29,384	13,972	-	309,509
Affiliate	156,915	-	-	-	156,915
Occupancy	337,268	58,238	31,146	660	427,312
Professional fees	72,467	13,234	9,575	2,354	97,630
Miscellaneous	4,131	18,856	3,767	-	26,754
In-kind expenses	34,269	14,687	-	-	48,956
CSC on-line	<u>19,558</u>	<u>2,223</u>	<u>444</u>	<u>-</u>	<u>22,225</u>
Total other expenses	<u>2,974,242</u>	<u>266,377</u>	<u>218,207</u>	<u>14,635</u>	<u>3,473,461</u>
Total expenses before depreciation	4,655,818	465,849	482,027	56,133	5,659,827
Depreciation and amortization	<u>106,939</u>	<u>11,820</u>	<u>7,527</u>	<u>-</u>	<u>126,286</u>
Total expenses	\$ <u>4,762,757</u>	<u>477,669</u>	<u>489,554</u>	<u>56,133</u>	<u>5,786,113</u>

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended December 31, 2012

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and related expenses:				
Salaries	\$ 1,338,514	187,345	280,746	1,806,605
Payroll taxes and employee benefits	<u>165,681</u>	<u>23,189</u>	<u>34,752</u>	<u>223,622</u>
Total salaries and related expenses	<u>1,504,195</u>	<u>210,534</u>	<u>315,498</u>	<u>2,030,227</u>
Other expenses:				
Office expenses	102,892	18,790	13,596	135,278
Grant expenses	538,750	-	-	538,750
Conferences and meetings	52,540	16,913	560	70,013
Consulting	634,711	74,586	17,668	726,965
Research and development	220,648	-	-	220,648
Dues and subscriptions	7,355	1,641	32,229	41,225
Equipment rental	8,136	1,486	1,075	10,697
Liability insurance	12,554	2,293	1,658	16,505
Travel	191,581	25,973	43,738	261,292
Marketing and recruiting	19,152	800	10,612	30,564
Postage and delivery	45,591	14,970	7,485	68,046
Printing and publications	199,035	1,499	4,742	205,276
Affiliate	34,180	-	-	34,180
Occupancy	311,596	56,903	41,173	409,672
Professional fees	10,350	47,244	9,438	67,032
Miscellaneous	4,664	21,291	4,254	30,209
In-kind expenses	500	70,666	199	71,365
CSC on-line	<u>42,539</u>	<u>4,834</u>	<u>967</u>	<u>48,340</u>
Total other expenses	<u>2,436,774</u>	<u>359,889</u>	<u>189,394</u>	<u>2,986,057</u>
Total expenses before depreciation	3,940,969	570,423	504,892	5,016,284
Depreciation and amortization	<u>113,954</u>	<u>12,598</u>	<u>8,014</u>	<u>134,566</u>
Total expenses	\$ <u>4,054,923</u>	<u>583,021</u>	<u>512,906</u>	<u>5,150,850</u>

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statements of Cash Flows
Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Change in net assets	\$ 86,895	222,431
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Bad debt expense	1,209	13,377
Donated property and equipment	-	(1,500)
Donated intangible assets	-	(6,500)
Depreciation and amortization	126,286	134,566
Loss on disposal of property and equipment	2,595	1,640
Effects of change in operating assets and liabilities:		
Grants receivable	25,000	217,953
Accounts receivable	(180,626)	(786,390)
Contributions receivable	44,377	32,036
Prepaid expenses	57,210	(74,115)
Inventory	799	(11,324)
Deposits	5,184	-
Accounts payable	(27,294)	(94,048)
Accrued expenses	5,377	17,286
Due to affiliates	(1,424)	23,867
Deferred revenue	(124,055)	124,055
Other liabilities	<u>10,414</u>	<u>16,045</u>
Net cash provided (used) by operating activities	<u>31,947</u>	<u>(170,621)</u>
Cash flows from investing activities:		
Acquisition of property and equipment	<u>(52,426)</u>	<u>(21,299)</u>
Cash flows from financing activities:		
Proceeds from line of credit	-	50,242
Payments on line of credit	<u>-</u>	<u>(230,453)</u>
Net cash used by financing activities	<u>-</u>	<u>(180,211)</u>
Change in cash and cash equivalents	(20,479)	(372,131)
Cash and cash equivalents - beginning of year	<u>5,517,619</u>	<u>5,889,750</u>
Cash and cash equivalents - end of year	\$ <u>5,497,140</u>	<u>5,517,619</u>
Supplemental disclosures:		
Interest paid	\$ <u>-</u>	<u>1,926</u>

See accompanying notes to the consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Cancer Support Community and Subsidiary (collectively known as "CSC") are set forth to facilitate the understanding of data presented in the consolidated financial statements.

Nature of operations

The mission of the Cancer Support Community (CSC) is to ensure that all people impacted by cancer are empowered by knowledge, strengthened by action and sustained by community. In 2009, The Wellness Community and Gilda's Club joined forces to become the Cancer Support Community. The combined organization, with more than 50 years of collective experience, provides the highest quality social and emotional support for people impacted by cancer through a network of more than 50 licensed affiliates, more than 100 satellite locations and a vibrant online and telephone community, touching more than one million people each year.

Backed by evidence that the best cancer care includes social and emotional support, the Cancer Support Community offers these services free of charge to men, women and children with any type or stage of cancer, and to their loved ones. As the largest professionally led nonprofit network of cancer support worldwide, the Cancer Support Community delivers a comprehensive menu of personalized and essential services including support groups, educational workshops, exercise, art and nutrition classes and social activities for the entire family. Through cutting-edge psychosocial, behavioral and survivorship research, the Cancer Support Community's Research and Training Institute helps CSC provide a seamless flow of program delivery through education and training. The Cancer Support Community's Cancer Policy Institute ensures that the voices of 13.7 million cancer survivors and their families are heard in the nation's capital and in state and local legislatures across the country. In 2013, CSC delivered nearly \$48 million in free services to patients and families. The Cancer Support Community is advancing the innovations that are becoming the standard in complete cancer care.

Individual gifts, corporate and foundation contributions, and educational grants are the major sources of support for CSC.

Patient Planning Services, Inc. ("PPS") is a wholly-owned Texas C-Corp established in 2013 to license a distress screening tool for cancer patients. It was initially funded by a \$100,000 investment by CSC which received that money as a donation. CSC will license the distress tool to PPS which will in turn license to hospitals.

Basis of Consolidation

The consolidated financial statements include the accounts of the CSC and PPS. All material inter-entity transactions have been eliminated.

Use of estimates

The preparation of consolidated 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.

Financial statement presentation

CSC reports information regarding its consolidated financial position and activities in three classes of net assets: unrestricted net assets which have no donor-imposed restrictions; temporarily restricted net assets which have donor-imposed restrictions that will likely expire in the future; and permanently restricted net assets which have donor-imposed restrictions which do not expire.

Contributions

Contributions of cash and other assets without donor stipulations concerning the use of such assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used in accordance with donor stipulations are reported as revenues of the temporarily or permanently restricted net asset classes. Contributions are reported as development income on the consolidated statement of activities.

The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time period has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Income taxes

For Federal tax purposes, CSC is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. In addition, CSC has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Beginning in 2012, CSC engaged in activities that generate unrelated business income tax. No provision for federal income taxes is included in these statements as the amounts are not material.

Accounting for uncertainty in income taxes

The Financial Accounting Standards Board ("FASB") has issued guidance which clarifies generally accepted accounting principles for recognition, measurement, presentation and disclosure relating to uncertain tax positions. This guidance clarifies the accounting and recognition for income tax positions taken or expected to be taken in CSC's income tax returns. CSC's income tax filings are subject to audit by various taxing authorities. Fiscal years ending prior to June 30, 2010 are closed for audit. CSC's policy with regards to interest and penalties is to recognize interest through interest expense and penalties through other expense. In evaluating CSC's tax provision and tax exempt status, interpretations and tax planning strategies were considered. CSC believes their estimates are appropriate based on the current facts and circumstances.

Cash and cash equivalents

For purposes of the consolidated statement of cash flows, CSC considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

CSC maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. CSC has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash.

Allowance for doubtful accounts

CSC carries its accounts and grants receivable at cost less an allowance for doubtful accounts. On a periodic basis, CSC evaluates its accounts and grants receivable and establishes an allowance for

doubtful accounts, based on a history of past write-offs and collections and current credit conditions. CSC carries its contributions receivable at their net present value. CSC evaluates the collectability of its contributions receivable on an annual basis and writes-off contributions receivable as deemed necessary. No allowance for doubtful accounts is deemed necessary as of December 31, 2013 and 2012.

Inventory

Inventory is stated at lower of cost or market with cost determined on an average cost basis. Inventory consists primarily of education materials and merchandise available for sale.

Property and equipment

Property and equipment is stated at cost or fair value, if donated. CSC capitalizes assets with a cost or fair value of at least \$500. Depreciation is computed using the straight-line method over three, five, seven and twenty year lives.

Intangible assets

Intangible assets consist of trademarks that are amortized over the useful life of the trademarks. Accumulated amortization as of December 31, 2013 and 2012 was \$2,550 and \$1,012, respectively.

In-kind contributions

CSC records in-kind services as revenue in the consolidated financial statements at their estimated fair value. In-kind services are not recorded if no objective basis is available to measure the value received by CSC. During 2013, CSC received in-kind services of \$48,956. During 2012, CSC received in-kind contributions for services and materials of \$71,365, in-kind contributions of equipment of \$1,500, and in-kind contributions of intangible assets of \$6,500. The equipment and intangible assets have been capitalized in accordance with CSC's capitalization policy.

Functional allocation of expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All fundraising costs are charge to fundraising; there are no joint costs.

Subsequent events

CSC evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying consolidated financial statements consider events through April 8, 2014, the date on which the consolidated financial statements were available to be issued.

2. CONTRIBUTIONS RECEIVABLE:

CSC received unconditional promises to give which have been recorded at their net present value using discount rates of 0.78% to 0.89%. The following summarizes these contributions receivable at December 31:

	<u>2013</u>	
Amounts due in:		
Less than one year	\$ 29,941	63,191
One to five years	<u>28,600</u>	<u>40,000</u>
Total	58,541	103,191
Unamortized discount	<u>252</u>	<u>525</u>
Contributions receivable - net	<u>\$ 58,289</u>	<u>102,666</u>

3. PROPERTY AND EQUIPMENT:

Property and equipment consisted of the following at December 31:

	<u>2013</u>	
Leasehold improvements	\$ 1,088,482	1,088,482
Office furniture and equipment	188,224	204,469
Software	<u>161,139</u>	<u>222,414</u>
	1,437,845	1,515,365
Less accumulated depreciation	<u>(319,011)</u>	<u>(321,614)</u>
	<u>\$ 1,118,834</u>	<u>1,193,751</u>

4. LINE OF CREDIT:

CSC has established two lines of credit with two banks for \$100,000 and \$350,000, both secured by a certificate of deposit pledged to the bank. Interest is payable at the rate of 3.25% and 3.25% for the \$100,000 line and 2.40% and 2.75% for the \$350,000 line at December 31, 2013 and 2012, respectively. The \$100,000 line is due on demand and the \$350,000 line was renewed until June 2014. No amounts were drawn against these lines as of December 31, 2013 and 2012.

5. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets are available for the period after December 31 for the following purposes:

	<u>2013</u>	
Policy/Advocacy	\$ 758,876	418,251
Lee Denim Day	8,911	52,800
Breakaway From Cancer	96,839	44,646
Sponsorships	294,898	239,298
CSC Online	50,051	66,424

Online Support Groups	207,931	33,497
Digital Media and Tech Infrastructure	125,942	95,038
Group Loop	50,162	40,361
Lung Cancer Webinar	-	21,217
National Call Center	234,091	201,614
Frankly Speaking About Cancer Programs	646,968	1,044,222
Non-Small Cell Lung Cancer	4,728	44,460
Pilot Navigation and Service Delivery	91,730	96,667
Meals at Home	33,886	17,458
Cancer Transitions	122,092	127,408
Right Action for Women	-	58,100
Metastatic Breast	46,662	92,500
Education	514,788	309,637
Cancer Experience Registry	569,511	182,637
Living Health with Cancer	15,000	38,600
Children and Teens with Cancer Initiative	-	35,230
Screening Tech and Dissemination	120	111,114
Open to Options Programs	114,937	372,171
Distress Screening	225,000	-
Treatment Decision Support	46,380	-
Innovative Online Education	32,500	-
Other Programs	101,856	90,200
Future periods	<u>58,541</u>	<u>103,191</u>
	<u>\$ 4,452,400</u>	<u>3,936,741</u>

During the years ended December 31, 2013 and 2012, net assets released from restrictions were \$2,271,844 and \$2,491,982, respectively.

6. PERMANENTLY RESTRICTED NET ASSETS:

Permanently restricted net assets as of December 31, 2013 and 2012 consist of \$10,000 for CSC's future growth.

7. RELATED PARTIES:

CSC received fees from local affiliates in the amount of \$381,168 and \$348,564 during the years ended December 31, 2013 and 2012, respectively. Expenditures related to these local affiliates totaled \$156,915 and \$34,180 during the years ended December 31, 2013 and 2012, respectively. At December 31, 2013 and 2012, CSC had amounts due to affiliates of \$22,568 and \$23,992, respectively, and amounts due from affiliates (included in accounts receivable) of \$49,287 and \$46,807, respectively.

8. LEASES:

CSC leases office space under a non-cancelable operating lease that expires December 2017. CSC also leases two office spaces under non-cancelable operating leases that expire June 2015 and October 2033, respectively. Future minimum lease payments under all three of these agreements at December 31, 2013 are as follows:

2014	\$ 312,230
2015	268,488
2016	252,863
2017	261,412
2018	42,000
Thereafter	<u>803,741</u>
	\$ <u>1,940,734</u>

CSC leases office equipment under non-cancelable operating leases that expire in various years through 2016. Future minimum lease payments under these agreements at December 31, 2013 are as follows:

2014	\$ 6,368
2015	2,008
2016	<u>351</u>
	\$ <u>8,727</u>

Total rent expense was \$333,013 and \$334,313 for the years ended December 31, 2013 and 2012, respectively.