ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

THE ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

CONTENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Entertainment Industry Foundation

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of The Entertainment Industry Foundation (the Foundation), which comprise the consolidated statement of financial position as of December 31, 2014, 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.

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.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of 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 auditor's 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.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Foundation as of December 31, 2014, and the consolidated 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.

Report on Summarized Comparative Information
We have previously audited the Foundation's 2013 consolidated financial statements, and our report dated June 10, 2014 expressed an unmodified opinion on those consolidated financial statements. In our opinion, the summarized comparative information presented as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Green Hasson & Janks LLP

August 25, 2015
Los Angeles, California

THE ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2014
With Summarized Totals at December 31, 2013

ASSETS	2014	2013
Cash and Cash Equivalents	$ 33,667,023	$23,833,706
Investments	7,460,831	6,456,188
Accounts Receivable	322,126	380,781
Contributions Receivable (Net)	32,548,905	17,972,418
Prepaid Expenses and Other Assets	491,920	631,852
Property and Equipment (Net)	612,172	121,462
TOTAL ASSETS	$ 75,102,977	$ 49,396,407
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts Payable and Accrued Liabilities	$ 2,723,871	$1,896,417
Grants Payable	9,902,703	8,238,266
TOTAL LIABILITIES	12,626,574	10,134,683
NET ASSETS:		
Unrestricted Net Assets:		
Unrestricted and Undesignated	(6,193,913)	3,404,483
Board Designated for Stand Up to Cancer	7,808,000	-
TOTAL UNRESTRICTED NET ASSETS	1,614,087	3,404,483
Temporarily Restricted	60,862,316	35,829,741
Permanently Restricted	-	27,500
TOTAL NET ASSETS	62,476,403	39,261,724
TOTAL LIABILITIES AND NET ASSETS	$ 75,102,977	$ 49,396,407

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

THE ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended December 31, 2014
With Summarized Totals for the Year Ended December 31, 2013

	2014				2013
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUE AND OTHER SUPPORT:					
Stand Up to Cancer Telethon	$ -	$ 78,865,284	$ -	$ 78,865,284	$ -
Less: Costs of Donor Benefits	(10,310,468)	-	-	(10,310,468)	-
Less: Donated Media	(28,990,335)	-	-	(28,990,335)	-
Less: Other In-Kind Contributions	(5,761)	-	-	(5,761)	-
NET STAND UP TO CANCER TELETHON	(39,306,564)	78,865,284	-	39,558,720	-
Special Events Revenue	5,742,932	383,050	-	6,125,982	7,263,316
Less: Costs of Donor Benefits	(3,410,295)	-	-	(3,410,295)	(2,875,825)
Less: Donated Media	(431,630)	-	-	(431,630)	(162,466)
NET SPECIAL EVENTS	1,901,007	383,050	-	2,284,057	4,225,025
NET REVENUE AND OTHER SUPPORT	(37,405,557)	79,248,334	-	41,842,777	4,225,025
CONTRIBUTIONS:					
In-Kind Contributions-Donated Media	-	103,639,788	-	103,639,788	80,113,336
Other In-Kind Contributions	-	20,165	-	20,165	606,236
Partnership Interest	-	606,655	-	606,655	-
Corporate and Foundation Contributions	55,063	31,781,314	-	31,836,377	40,727,811
Direct Contributions	-	3,239,438	-	3,239,438	3,402,548
Worksite Campaigns	140,215	-	-	140,215	213,675
TOTAL CONTRIBUTIONS	195,278	139,287,360	-	139,482,638	125,063,606
Investment Income (Net)	403,553	1,749	-	405,302	599,507
Net Assets Released from:					
Program Restrictions	193,532,368	(193,532,368)	-	-	-
Donor Reclassifications	-	27,500	(27,500)	-	-
TOTAL REVENUE AND OTHER SUPPORT	156,725,642	25,032,575	(27,500)	181,730,717	129,888,138
EXPENSES:					
Program Services:					
Grants Program	36,944,333	-	-	36,944,333	30,810,905
Public Awareness and Education	103,450,932	-	-	103,450,932	69,889,029
TOTAL PROGRAM SERVICES	140,395,265	-	-	140,395,265	100,699,934
Supporting Services:					
Management and General	8,165,081	-	-	8,165,081	5,596,726
Fundraising	9,955,692	-	-	9,955,692	21,115,769
TOTAL SUPPORTING SERVICES	18,120,773	-	-	18,120,773	26,712,495
TOTAL EXPENSES	158,516,038	-	-	158,516,038	127,412,429
CHANGE IN NET ASSETS	(1,790,396)	25,032,575	(27,500)	23,214,679	2,475,709
Net Assets at Beginning of Year	3,404,483	35,829,741	27,500	39,261,724	36,786,015
NET ASSETS AT END OF YEAR	$ 1,614,087	$ 60,862,316	$ -	$ 62,476,403	$ 39,261,724

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

THE ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2014
With Summarized Totals for the Year Ended December 31, 2013

	Program Services			Supporting Services			Total Expenses	
	Grants Program	Public Awareness and Education	Total	Management and General	Fundraising	Total	2014	2013
In-Kind: Donated Media	$ -	$ 98,261,582	$ 98,261,582	$ 1,093,884	$ 4,284,321	$ 5,378,205	$ 103,639,787	$80,113,337
Grants to Charities	36,285,208	-	36,285,208	-	-	-	36,285,208	29,619,096
Salaries and Payroll-Related Expenses	43,297	2,277,507	2,320,804	2,633,713	1,678,623	4,312,336	6,633,140	6,815,658
Professional Services	158,351	1,252,727	1,411,078	1,580,468	3,006,391	4,586,859	5,997,937	5,473,015
Occupancy Cost	6,193	289,597	295,790	1,155,725	25,280	1,181,005	1,476,795	1,035,645
Travel and Meetings	68,982	247,022	316,004	265,558	427,596	693,154	1,009,158	984,987
Office Supplies and Printing	273,149	225,050	498,199	364,357	100,167	464,524	962,723	875,535
Subscriptions and Permits	16,650	348,459	365,109	312,607	86,398	399,005	764,114	439,513
Public Relations and Publicity	24,000	333,139	357,139	275,079	30,117	305,196	662,335	863,458
Telephone and Internet	3,360	14,276	17,636	149,591	53,341	202,932	220,568	195,730
Electronic Media Production	14,416	95,894	110,310	7,726	34,389	42,115	152,425	156,980
Equipment Rental	50	18,392	18,442	33,320	96,805	130,125	148,567	21,491
Insurance	-	-	-	143,556	-	143,556	143,556	185,008
Bank and Merchant Fees	2,366	194	2,560	10,040	105,500	115,540	118,100	124,860
Depreciation	516	3,374	3,890	81,686	3,688	85,374	89,264	59,276
Repairs and Maintenance	-	58,110	58,110	26,266	381	26,647	84,757	219,255
Postage	2,371	8,837	11,208	15,867	20,570	36,437	47,645	43,326
Miscellaneous	38,377	2,607	40,984	-	-	-	40,984	123,639
Special Event Space Rental	7,047	11,174	18,221	3,001	500	3,501	21,722	36,805
Advertising	-	2,991	2,991	12,637	1,625	14,262	17,253	25,815
TOTAL 2014 FUNCTIONAL EXPENSES	$ 36,944,333	$ 103,450,932	$ 140,395,265	$ 8,165,081	$ 9,955,692	$ 18,120,773	$ 158,516,038	
	23%	65%	89%	5%	6%	11%	100%	
TOTAL 2013 FUNCTIONAL EXPENSES	$ 30,810,905	$ 69,889,029	$ 100,699,934	$ 5,596,726	$ 21,115,769	$ 26,712,495		$127,412,429
	24%	55%	79%	4%	17%	21%		100%

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

THE ENTERTAINMENT INDUSTRY FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2014
With Summarized Totals for the Year Ended December 31, 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ 23,214,679	$ 2,475,709
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	89,264	59,276
Realized and Unrealized Gain on Investments	(305,598)	(472,828)
Provision for Bad Debt Expense	40,984	125,256
Donated Partnership Interest	(606,655)	-
(Increase) Decrease in:		
Accounts Receivable	17,671	(214,488)
Contributions Receivable (Net)	(14,576,487)	2,576,970
Prepaid Expenses and Other Assets	139,932	(28,571)
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	827,454	495,712
Grants Payable	1,664,437	(2,824,028)
Note Payable	-	(277,800)
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,505,681	1,915,208
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments	(11,182)	(110,066)
Proceeds from the Sale of Investments	18,496	505,731
Reinvested Interest and Dividends	(99,704)	(126,679)
Purchase of Property and Equipment	(579,974)	(3,929)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(672,364)	265,057
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,833,317	2,180,265
Cash and Cash Equivalents - Beginning of Year	23,833,706	21,653,441
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 33,667,023	$ 23,833,706

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

NOTE 1 - ORGANIZATION

Created in 1942 by Hollywood legend Samuel Goldwyn with friends Humphrey Bogart, James Cagney, and the Warner brothers, The Entertainment Industry Foundation (formerly Permanent Charities Committee) was established on the belief that the entertainment industry was in a unique position to truly help others. Their vision was to unify Hollywood's generous giving in order to maximize the amount of charitable dollars raised annually, and guarantee that worthy charities receive these contributions.

Throughout its history, The Entertainment Industry Foundation (the Foundation) has focused on some of the most pressing needs of our time: from the first grants directed to wartime agencies like the United States Organizations (USO) and American Red Cross, to providing funding and creating awareness to help eradicate childhood polio. Today, the Foundation is a multifaceted organization that occupies a unique place in the world of philanthropy. Through mobilizing and leveraging the powerful voice and creative talents of the entertainment industry, as well as cultivating the support of organizations (public and private) and philanthropists committed to social responsibility, the Foundation seeks to build awareness, raise funds, and to develop and enhance programs on the local, national and global level that will have a positive impact and generate social change.

The Foundation focuses on four critical areas: health, education, the environment, and poverty/hunger. The Foundation creates high-profile programs and events that address these major social issues by informing, inspiring and raising significant funds for sustainable initiatives that can stimulate innovation and transform lives. The Foundation also responds to urgent needs resulting from natural or manmade disasters.

The Foundation’s initiatives include:

- **STAND UP TO CANCER** (Translational Cancer Research): The Foundation’s Stand Up To Cancer initiative raises funds for accelerated, collaborative cancer research, largely through a biennial televised event carried by more than 20 major networks and cable outlets. Stand Up To Cancer funds over 500 scientists at more than 100 major institutions who collaborate to develop new and promising cancer treatments for patients at a faster pace.

- **NATIONAL COLORECTAL CANCER RESEARCH ALLIANCE** (Colon Cancer): Following the launch of a high-profile public awareness effort spearheaded by journalist Katie Couric, experts noted a 20% increase in colonoscopy screenings, which they dubbed “The Couric Effect.” This campaign was part of the work of the Foundation’s National Colorectal Cancer Research Alliance. Started in 2000, the NCCRA seeks the eradication of colon cancer by raising funds to support cutting-edge science and promoting the life-saving value of screening. For eight years, the Foundation’s NCCRA and the CDC have jointly conducted a campaign to educate Americans about colorectal cancer screening. The CDC cites the campaign as the most successful it has ever undertaken -- for any disease -- to educate the public about screening. Experts view both of these above-mentioned programs as significant contributors to a reduction in the colon cancer death rate.

NOTE 1 - ORGANIZATION (continued)

- **HUNGER IS PROGRAM (Childhood Hunger)** The Entertainment Industry Foundation, along with Academy Award nominated actress Viola Davis and The Safeway Foundation launched the "Hunger Is" Program, a joint charitable program designed to raise awareness and funds to fight childhood hunger in the United States. Funds raised through the initiative will go toward programs focused on eradicating childhood hunger and improving health-related outcomes. During this 2014 inaugural year, breakfast programs were the focus with $3.9m raised in support of this initiative.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of The Entertainment Industry Foundation and its wholly-owned subsidiary, Stand Up to Cancer Music, LLC (collectively, the Foundation). There were no intercompany transactions during the year ended December 31, 2014.

(b) BASIS OF PRESENTATION

The consolidated financial statements of the Foundation have been prepared utilizing the accrual basis of accounting.

(c) ACCOUNTING

To ensure observance of certain constraints and restrictions placed on the use of resources, the accounts of the Foundation are maintained in accordance with the principles of net assets accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

- **Unrestricted - Undesignated Net Assets.** These generally result from revenues from providing services, producing and delivering goods, receiving unrestricted contributions, and receiving dividends or interest from investing in income-producing assets, less expenses incurred in providing services, producing and delivering goods, raising contributions, and performing administrative functions.

- **Unrestricted - Board Designated Net Assets**. These are comprised of resources that the Foundation has established as being designated for the Stand Up To Cancer initiative. For purposes of complying with net asset accounting, this fund is included in unrestricted net assets at December 31, 2014 with a balance of $7,808,000.

- **Temporarily Restricted Net Assets.** The Foundation reports gifts of cash and other assets as temporarily restricted if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from purpose or time restrictions. The Foundation has $60,862,316 of temporarily restricted net assets at December 31, 2014.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) ACCOUNTING (continued)

- **Permanently Restricted Net Assets.** These net assets are received from donors who stipulate that resources are to be maintained permanently, but permit the Foundation to expend all of the income (or other economic benefits) derived from the donated assets. There were no permanently restricted net assets at December 31, 2014.

(d) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less at the time of purchase. The carrying value of cash and cash equivalents at December 31, 2014 approximates its fair value.

The Foundation maintains its cash and cash equivalents in bank deposit accounts and other investment 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 credit risk on cash and cash equivalents.

(e) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. The fair value of investments is valued at the closing price on the last business day of the fiscal year. Securities are generally held in custodial investment accounts administered by financial institutions.

Investment purchases and sales are accounted for on a trade-date basis. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Interest and dividend income is recorded when earned. Gains or losses (including investments bought, sold, and held during the year), and interest and dividend income are reflected in the consolidated statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily restricted by donor stipulations or by law.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

(f) ACCOUNTS RECEIVABLE

Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, if any, represents the estimated net realizable value. The allowance for doubtful accounts is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past due receivable balances are written-off when internal collection efforts have been unsuccessful in collecting the amount due. All accounts receivable are considered fully collectable within one year; therefore, no allowance for doubtful accounts has been provided for at December 31, 2014.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) CONTRIBUTIONS RECEIVABLE

Contributions, including unconditional promises to give, are recognized as support when received at fair value.

Unconditional promises to give which are expected to be collected or paid in future years are discounted at the appropriate rate commensurate with the risks involved. Unconditional promises to give are recorded at present value using a discount rate determined by the three year Treasury rate as of December 31 of the year in which the promise was made. Amortization of the discount on contributions received is recorded as additional contribution revenue.

Conditional promises to give that are contingent upon future events or future matching are not recorded until the conditions have been satisfied. If funds are received from such gifts, they are recorded as refundable advances until the condition is satisfied. When the condition has been satisfied, the gift is recognized as either unrestricted or temporarily restricted revenue depending on the intent of the donor. At December 31, 2014, there was $72,052,000 in conditional promises to give.

Special event contributions are generally reported as increases in unrestricted net assets. However, if the circumstances surrounding the receipt of such contributions make clear the respective donor's implicit restriction on use, such amounts are classified as increases in temporarily restricted net assets.

(h) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to $5,000 and the useful life is greater than one year. The estimated useful lives are as follows:

Office Furniture and Equipment	3 - 5 Years
Leasehold Improvements	5 - 10 Years

(i) LONG-LIVED ASSETS

The Foundation evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the assets, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No such impairment losses have been recognized during the year ended December 31, 2014.

(j) DEFERRED RENT

The Foundation recognizes escalating rent provisions on a straight-line basis over the term of the lease. Deferred rent totaled $442,884 as of December 31, 2014.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) DEFERRED REVENUE

Fees and sponsorship revenues for events, which are paid in advance, are deferred and recognized as income in the period in which the related events are held.

(l) GRANTS TO CHARITIES

Unconditional grants are recorded against operations when authorized by the Foundation's Board of Directors and notification to the grantee. The actual payment of the grant may not necessarily occur in the year of authorization. Cancellations of grants occur when the grantees do not meet the terms under which the grants were awarded. In those instances the cancellation is recorded as a reduction against operations. All grants to charities at December 31, 2014 are expected to be paid within one year.

The Foundation also has $67,226,044 in research-related contractual grant commitments outstanding. Over 88% of this amount is contingent upon a detail review done twice a year of research team performance, outcomes, and financial spends. The remaining contingent grant amounts involve other assessment and evaluation processes.

(m) CONCENTRATION OF CREDIT RISK

The Foundation places its temporary cash investments with high-credit, quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. The Foundation has not incurred losses related to these investments.

(n) CONTRIBUTED GOODS AND SERVICES

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

(o) INCOME TAXES

The Foundation is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code.

(p) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been presented in the consolidated statement of functional expenses. During the year, such costs are accumulated into operational groupings. All costs are allocated among program and support services by a method that best measures the relative degree of benefit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) 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.

(r) COMPARATIVE TOTALS

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's consolidated financial statements for the year ended December 31, 2013 from which the summarized information was derived.

(s) SUBSEQUENT EVENTS

On June 1, 2015, the Foundation's Board of Directors resolved that, effective December 31, 2014, $7,808,000 in unrestricted net assets be designated for the Stand Up to Cancer program.

The Foundation has evaluated events and transactions occurring subsequent to the consolidated statement of financial position date of December 31, 2014 for items that should potentially be recognized or disclosed in these consolidated financial statements. The evaluation was conducted through August 25, 2015, the date these consolidated financial statements were available to be issued. No such material events or transactions were noted to have occurred, except as noted above.

NOTE 3 - INVESTMENTS

The Foundation implemented the accounting standard that defines fair value for those assets (and liabilities) that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. This standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, appraisals, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset (or liability) and include situations where there is little, if any, market activity for the asset (or liability).

The following table presents information about the Foundation's assets that are measured at fair value on a recurring basis at December 31, 2014 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

NOTE 3 - INVESTMENTS (continued)

	December 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
INVESTMENTS:				
Cash Equivalents	$ 250,140	$ 250,140	$ -	$ -
Domestic Common and Foreign Stock	2,811,690	2,811,690	-	-
Corporate Bonds	1,250,753	1,250,753	-	-
Fixed Income - U.S. Agencies	738,263	738,263	-	-
Foreign Bonds	306,417	306,417	-	-
Municipal Bonds	276,233	276,233	-	-
Government Bonds	424,625	424,625	-	-
Floating and Adj. Rate Notes	196,164	196,164	-	-
Asset-Backed Corporate Issues	99,891	-	99,891	-
Partnership Interests	1,106,655	-	-	1,106,655
TOTAL INVESTMENTS	$ 7,460,831	$ 6,254,285	$ 99,891	$ 1,106,655

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Beginning Balance	$ 500,000
Donation of Limited Partnership Interest	606,655
ENDING BALANCE	$ 1,106,655

The fair values of marketable securities within Level 1 inputs were obtained based on quoted market prices at the closing of the last business day of the fiscal year.

The fair values of asset-backed corporate issues within Level 2 inputs were obtained based on pricing models whose inputs were derived principally from observable market data through correlation or other means for substantially the full term of the asset or liability.

The fair value of the limited partnership interests within Level 3 was obtained by an independent appraisal using the income capitalization approach.

There were no transfers between Level 1, 2 and 3 investments for the year ended December 31, 2014.

Net investment income for the year ended December 31, 2014 consists of the following:

Interest and Dividends	$ 143,760
Realized and Unrealized Gain	305,598
Investment Fees	(44,056)
INVESTMENT INCOME (NET)	$ 405,302

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at December 31, 2014 are expected to be collected as follows:

Less than One Year	$ 11,704,517
One to Five Years	21,705,784
GROSS CONTRIBUTIONS RECEIVABLE	33,410,301
Less: Present Value Discount	(861,396)
CONTRIBUTIONS RECEIVABLE (NET)	$ 32,548,905

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2014:

Office Furniture and Equipment	$ 598,050
Leasehold Improvements	549,433
TOTAL	1,147,483
Less: Accumulated Depreciation	(535,311)
PROPERTY AND EQUIPMENT (NET)	$ 612,172

Depreciation expense for the year ended December 31, 2014 was $89,264.

NOTE 6 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following at December 31, 2014:

Accounts Payable	$ 1,628,719
Accrued Payroll and Other Payroll Withholdings	306,886
Accrued Vacation	345,382
Deferred Rent	442,884
TOTAL ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 2,723,871

NOTE 7 - GRANTS PAYABLE

Grants authorized but unpaid at year end are measured at fair value and reported as liabilities. The following is a summary of grants authorized and payable at December 31, 2014:

To Be Paid in 2015	$ 9,902,703

NOTE 8 - CONTRIBUTED GOODS AND SERVICES

The Foundation conducts Public Awareness and Education campaigns that provide information and education regarding the various initiatives adopted by the Foundation. Information and education are primarily provided by public service announcements (PSA's). The PSA's are disseminated in the form of broadcast, print, online and out-of-home advertisements. These products are donated by major television networks and magazine publications.

The public service announcements were comprised of the following:

Broadcast Airtime	$ 96,034,251
Print Ad Publications	26,338,950
Out-of-Home	8,252,302
Digital	2,357,250
Mobile	79,000
TOTAL PUBLIC AWARENESS AND EDUCATION	$ 133,061,753

For the year ended December 31, 2014, the Foundation also received $20,165 in donated airline travel plus an unconditional promise of $213,238 in research equipment that is included in contributions receivable at December 31, 2014.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

(a) OPERATING LEASES

The Foundation leases office facilities under several operating leases, with various terms expiring through April 2024. Total rental expense charged to operations under these leases during the year ended December 31, 2014 was $1,502,255.

Lease commitments are as follows:

Years Ending December 31	
2015	$ 562,015
2016	1,015,630
2017	1,051,432
2018	1,089,117
2019	1,120,589
Thereafter	4,988,526
TOTAL	$ 9,827,309

(b) LITIGATION

In the ordinary course of doing business, the Foundation becomes involved in various lawsuits. Some of these proceedings may result in judgments being assessed against the Foundation which, from time to time, may have an impact on net income or financial position. The Foundation does not believe that these proceedings, individually or in the aggregate, are material to its operations or financial condition.

NOTE 9 - COMMITMENTS AND CONTINGENCIES (continued)

(c) START UP FUNDS ADVANCED TO EIF CANADA ENTITY IN 2014

The Foundation helped establish an independent non-profit entity named EIF Canada in order to advance the mission of Stand Up To Cancer within Canada. On June 30, 2014, EIF Canada received its registered charity status from the Canada Revenue Agency. In 2014, the Foundation expensed $1,537,351 in out of pocket expenses and labor to help establish the EIF Canada entity. The independent Board of Directors of EIF Canada agreed to reimburse the Foundation for these expenses if sufficient unrestricted funds are available in the future to do so. If funds do become available, the Foundation will recognize this expense recovery and be reimbursed for such start-up expenses.

NOTE 10 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Restricted net assets at December 31, 2014 are available for the following purposes:

Temporarily Restricted Net Assets:	
Stand Up To Cancer	$ 54,180,008
Other Donor Purpose Designation	3,609,995
National Colorectal Cancer Research Alliance	989,265
Childhood Hunger	1,431,612
Education Challenge	604,119
Health Initiatives	47,317
TOTAL TEMPORARILY RESTRICTED NET ASSETS	$ 60,862,316

NOTE 11 - ALLOCATION OF JOINT COSTS

The Foundation conducted public service announcements that included requests for contributions as well as program components. The costs of conducting these activities included joint costs totaling $103,639,787.

The joint costs were allocated as follows:

Public Awareness and Education	$ 98,261,582
Fundraising	4,284,321
Management and General	1,093,884
TOTAL JOINT COSTS	$ 103,639,787

NOTE 12 - EMPLOYEE BENEFIT PLANS

(a) MULTIEMPLOYER PENSION PLAN

The Foundation contributes to the Motion Picture Industry Pension Plan, a multiemployer defined benefit pension plan, under the terms of its non-affiliated agreement covering Foundation employees. Contributions to this plan are based on employee hours worked and are paid by the Foundation. The risks of participating in multiemployer plans are different from single-employer plans in the following respects:

- Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the employer chooses to stop participating in its multiemployer plan, it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Foundation's participation in this plan for the year ended December 31, 2014 is outlined below. The information included in this table is as follows:

EIN	95-1810805
Plan Number	01
Pension Protection Act of 2006 Zone Status	Green
Contributions by Plan	$ 132,375
Plan's Contributions>5% of Total Contributions	No
Financial Improvement or Rehabilitation Plan Pending or Implemented	No
Surcharged Imposed?	No
Expiration or Collective Bargaining Agreements	N/A

(b) PENSION PLAN

The Foundation sponsors a 403(b) Plan for its employees. Benefits under the plan are provided through a group annuity contract. Employees elect to contribute to the plan and employer contributions are discretionary. There were no employer contributions for the year ended December 31, 2014.

The Foundation sponsors a 457(b) Plan. The plan is available to senior executive management employees to make additional contributions up to IRS designated annual limits. The Foundation does not make employer contributions for this plan.