

**NATIONAL LAW ENFORCEMENT AND
FIREFIGHTERS CHILDREN'S FOUNDATION
FOR THE YEAR ENDED MARCH 31, 2015
WITH SUMMARIZED FINANCIAL
INFORMATION AS OF MARCH 31, 2014**

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS
INDEX TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015
WITH SUMMARIZED FINANCIAL INFORMATION
AS OF MARCH 31, 2014**

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INDEPENDENT AUDITOR'S REPORT

To the Board and Directors of
National Law Enforcement and Firefighters Children's Foundation

We have audited the accompanying financial statements of National Law Enforcement and Firefighters Children's Foundation (a non profit organization), which comprise the statement of financial position as of March 31, 2015 and 2014 and the related statements of activities and cash flows 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements 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 evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Law Enforcement and Firefighters Children's Foundation as of March 31, 2015 and 2014, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

New York, NY

July 15, 2015

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION
STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2015
WITH SUMMARIZED INFORMATION AT MARCH 31, 2014

ASSETS

	2015	2014
Assets		
Cash	\$ 479,896	\$ 472,716
Cash - Restricted	72,834	47,652
Prepaid Expenses	1,006	1,127
TOTAL ASSETS	\$ 553,736	\$ 521,495

LIABILITIES AND NET ASSETS

Liabilities		
Accounts Payable	\$ -	\$ -
TOTAL LIABILITIES	-	-
Net Assets		
Unrestricted	480,902	473,843
Temporarily Restricted	72,834	47,652
TOTAL NET ASSETS	553,736	521,495
TOTAL LIABILITIES AND NET ASSETS	\$ 553,736	\$ 521,495

The accompanying notes are an integral part of these financial statements.

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION
STATEMENT OF ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2015
WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2014

	Unrestricted	Temporarily Restricted	2015 Total	2014 Total
REVENUES				
Contributions	\$ 380,456	\$ 36,136	\$ 416,592	\$ 582,473
Donated Services	11,509	-	11,509	21,400
Interest Income	38	46	84	21
Other	17,477	-	17,477	1,462
NET ASSETS RELEASED FROM RESTRICTION	11,000	(11,000)	-	-
TOTAL REVENUE	420,480	25,182	445,662	605,356
EXPENSES				
Program	189,385	-	189,385	150,988
Management and General	62,729	-	62,729	59,896
Fundraising	161,307	-	161,307	179,126
TOTAL EXPENSES	413,421	-	413,421	390,010
DECREASE/INCREASE IN NET ASSETS	7,059	25,182	32,241	215,346
NET ASSETS - BEGINNING OF YEAR	473,843	47,652	521,495	306,149
NET ASSETS - END OF YEAR	\$ 480,902	\$ 72,834	\$ 553,736	\$ 521,495

The accompanying notes are an integral part of these financial statements.

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION
 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2015
 WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase/(Decrease) in Net Assets	<u>\$ 32,241</u>	<u>\$ 215,346</u>
Adjustment to reconcile (decrease)/increase in net assets to net cash flows provided by operating activities:		
Changes in Assets and Liabilities		
Prepaid Expenses	121	1,563
Accounts Payable	<u>-</u>	<u>(1,040)</u>
TOTAL ADJUSTMENTS	<u>121</u>	<u>523</u>
NET CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>32,362</u>	<u>215,869</u>
NET (DECREASE)/INCREASE IN CASH	32,362	215,869
CASH - BEGINNING OF YEAR	<u>520,368</u>	<u>304,499</u>
CASH - END OF YEAR	<u>\$ 552,730</u>	<u>\$ 520,368</u>
Composition of Ending Cash		
Cash - Unrestricted	\$ 479,896	\$ 472,716
Cash - Restricted	<u>72,834</u>	<u>47,652</u>
	<u>\$ 552,730</u>	<u>\$ 520,368</u>

The accompanying notes are an integral part of these financial statements.

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS
CHILDREN'S FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The National Law Enforcement and Firefighters Children's Foundation (the "Foundation") is a not for profit organization located in New York City dedicated to helping the children of law enforcement officers and firefighters impacted by a line of duty death or permanent disability.

Along with providing for these children, the Foundation is also committed to funding educational programs created and operated by various law enforcement and firefighting organizations, benefitting the children in their communities.

The Foundation is primarily supported through public contributions and events like the Thanksgiving Parade Breakfast and the Heroes Awards Gala events held this year. Public contributions are also made in support of the scholarship and grant programs.

Summary of Significant Accounting Policies

Significant accounting policies followed by National Law Enforcement and Firefighters Children's Foundation are set forth below:

- The accompanying financial statements are presented on the accrual basis of accounting and have been prepared to focus on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions as required by accounting standards for Not-for-Profit Organizations.
- The National Law Enforcement and Firefighters Children's Foundation applies Statement of Financial Accounting Standards FASB ASC 958-605, Accounting for Contributions Received and Made, and FASB ASC 958-205, Financial Statements for Not-for-Profit Organizations to its financial statements. FASB ASC 958-205 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. FASB ASC 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. A description of the three net asset categories follows.

Unrestricted net assets include National Law Enforcement and Firefighters Children's Foundation revenues and expenses associated with its principal mission to helping children of law enforcement and firefighters. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Temporarily restricted net assets include gifts for which donor imposed restrictions have not been met and trust activity and pledges receivable for which the ultimate purpose of the proceeds is not permanently restricted.

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS
CHILDREN'S FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

Permanently restricted net assets include gifts, trust and pledges which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- Donated Materials and Services:
Donated materials and services are recognized as in-kind revenues at their estimated fair value. A corresponding expense is similarly recorded.
- Subsequent events have been evaluated through July 15, 2015 which was the date the financial statements were available to be issued.

NOTE 2 – CASH

At times during the year, the Foundation periodically had cash balances in excess of Federal Deposit Insurance Corporation (FDIC) limits. As of March 31, 2015 and 2014, the Foundation had a cash balance in excess of these limits in the amount of \$199,551 and \$156,825, respectively. The Foundation has not experienced any losses on its cash.

NOTE 3 – DONATED SERVICES AND MATERIALS

The Foundation received donated services and materials from a variety of unpaid volunteers and Companies assisting the Foundation in support of its operations, programs and special events. Their fair value of the portion of these in-kind donations, which were included in the accompanying financial statements, pursuant to the criteria for recognition under accounting principles generally accepted in the United States of America consisted of the following during the year ended March 31, 2015 and 2014:

	2015	2014
Fees	\$ 884	\$ 9,900
Program Expense	3,100	4,300
Rent	7,525	7,200
	\$ 11,509	\$ 21,400

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS
CHILDREN'S FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014**

NOTE 4 - INCOME TAXES

National Law Enforcement and Firefighters Children's Foundation, Inc. is a tax-exempt organization under the Internal Revenue Code Section 501(c)(3) and is not subject to federal or state income taxes

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

In May, 2005, the Foundation received a donation in the amount of \$24,166 from a donor with the stated purpose of using the funds and the interest generated by these funds to award two annual scholarships in the amount of \$500 each, to the New York City Department of Corrections Law Enforcement Explorer program, until said funds are depleted. During the year ended March 31, 2015 and 2014, the Foundation awarded \$3,000 and \$4,000 respectively to sponsor selected explorers to support a college scholarship or attend the Thanksgiving event. The balance of this donation in cash-restricted is \$8,024 and \$11,014 at March 31, 2015 and 2014, respectively.

The Foundation established a scholarship fund in 2009 in honor of Victoria Ovis, who dedicated her life to law enforcement. A \$2,000 scholarship will be given to students each year in Victoria's memory. This annual scholarship is designed to reward personal character, academic excellence and the overall achievement of individuals who are or were a dependent of a firefighter of law enforcement agent. During the year ended March 31, 2015 and 2014, \$2,000 in scholarships were awarded each year and an additional \$3,400 and \$0 was contributed into the fund, respectively. The balance of this donation in cash-restricted is \$23,766 and \$22,352 at March 31, 2015 and 2014, respectively.

NOTE 6 - EVENT CONCENTRATION

During the year ended March 31, 2015 and 2014, one event (Heroes Award) represented 71.09% and 80.43% of contributions, respectively.

NOTE 7 - SUMMARIZED PRIOR YEAR INFORMATION

The 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended March 31, 2013 from which the summarized information was derived.

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**INDEPENDENT AUDITORS' REPORT
ON ADDITIONAL INFORMATION**

To the Board of Directors of
National Law Enforcement and Firefighters Children's Foundation

Our report on our audit of the basic financial statements of National Law Enforcement and Firefighters Children's Foundation as of March 31, 2015 and 2014 and for the year then ended appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses 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 statement taken as a whole.

New York, NY

July 15, 2015

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION
 STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED MARCH 31, 2015
 WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2014

	Program	Mgmt & General	Fundraising	2015 Total	2014 Total
Events					
Heroes Award	\$ -	\$ -	\$ 109,387	\$ 109,387	\$ 155,983
Thanksgiving	75,656	-	-	75,656	79,152
Scholarship	57,750	-	-	57,750	22,750
Grants	6,250	-	-	6,250	5,500
Consulting	31,438	22,502	18,100	72,040	62,508
Professional Fees	-	8,236	-	8,236	17,015
Printing & Publications	105	20	6,150	6,275	6,345
Office Expense	39	789	-	828	445
Rent	-	7,525	-	7,525	7,200
Insurance	-	6,220	-	6,220	5,990
Credit Card Fees & Bank Charges	174	223	2,992	3,389	2,306
Travel & Entertainment	164	1,286	253	1,703	1,368
Telephone & Internet Access	-	1,820	-	1,820	2,115
Postage & Shipping	1,170	400	1,037	2,607	4,132
Filing Fees	-	2,547	-	2,547	1,516
Dues and Subscriptions	-	1,569	-	1,569	1,907
Advertising & Promotion	16,639	9,582	23,388	49,609	13,114
Miscellaneous	-	10	-	10	664
TOTAL FUNCTIONAL EXPENSES	\$ 189,385	\$ 62,729	\$ 161,307	\$ 413,421	\$ 390,010

The accompanying notes are an integral part of these financial statements.