Appleby Foundation, Inc.

(d/b/a Rebecca Kelly Ballet)

Financial Statements

December 31, 2015 and 2014

(With Independent Accountant's Review Report)

Appleby Foundation, Inc.

(d/b/a Rebecca Kelly Ballet)

December 31, 2015 and 2014

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ROGOFF & COMPANY PC
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountant's Review Report

The Board of Directors
Appleby Foundation, Inc.:

We have reviewed the accompanying financial statements of Appleby Foundation, Inc. ("the Foundation", a nonprofit organization, d/b/a Rebecca Kelly Ballet) which comprise the statement of financial position, as of December 31, 2015 and 2014 and the related statements of activities and of cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Foundation management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them in be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Rogoff & Company PC

New York, New York
October 25, 2016

Appleby Foundation, Inc.
(d/b/a Rebecca Kelly Ballet)

Statement of Financial Position

December 31, 2015 and 2014

	2015	2014
Assets:		
Cash and cash equivalents	36,418	$ 17,410
Accounts receivable	19,515	5,603
Prepaid expenses	1,590	1,119
Property and equipment, net of accumulated depreciation of $63,543 ($40,541 in 2014)	230,726	252,239
Total Assets	$ 288,249	$ 276,371
Liabilities:		
Accounts payable and accrued expenses	4,827	$ 7,924
Deferred revenue	54,500	59,750
Mortgage payable - Tahawus Center	61,900	75,800
Total liabilities	121,227	143,474
Net assets - Unrestricted	167,022	132,897
Total Liabilities and Net Assets	$ 288,249	$ 276,371

Notes to the Financial Statements are an intergal part of the Financial Statements.

Appleby Foundation, Inc.
(d/b/a Rebecca Kelly Ballet)

Statement of Activities

Years ended December 31, 2015 and 2014

	2015	2014
Support and Revenue:		
Grants and contributions	$ 103,570	$ 79,961
Box Office	9,388	6,149
Sales Concessions	1,071	1,256
Performance fees	2,600	3,015
Tuition fees	42,700	38,938
Other income	27,452	34,025
	186,781	163,344
Expenses:		
Production costs:		
Kids Co-Motion	12,978	13,985
Summerdance	21,045	20,367
New works	3,952	2,426
Tahawus Center	22,556	23,940
	60,531	60,719
Other operating costs	17,246	16,518
Fund raising	2,143	873
General administration	72,736	58,170
Total expenses	152,656	136,280
Change in net assets	34,125	27,064
Net assets, beginning of year	132,897	105,833
Net assets, end of year	$ 167,022	$ 132,897

Notes to the Financial Statements are an intergal part of the Financial Statements.

Appleby Foundation, Inc.
(d/b/a Rebecca Kelly Ballet)

Statement of Cash Flows

Years ended December 31, 2015 and 2014

	2015	2014
Operating activities:		
Change in net assets	$ 34,125	$ 27,064
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	23,002	16,236
Net change in:		
Accounts receivable	(13,912)	18,956
Prepaid expenses	(471)	(235)
Accounts payable and accrued expenses	(3,097)	(12,853)
Deferred revenue	(5,250)	49,750
Net cash provided by operating activities	34,397	98,918
Investing activities:		
Purchase of equipment	(1,489)	(85,569)
Financing activities:		
Mortgage principal payments	(13,900)	(6,452)
Net increase in cash	19,008	6,897
Cash, beginning of year	17,410	10,513
Cash, end of year	$ 36,418	$ 17,410
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 5,044	$ 5,626

Notes to the Financial Statements are an intergal part of the Financial Statements.

Appleby Foundation, Inc.

(d/b/a Rebecca Kelly Ballet)

Notes to Financial Statements

December 31, 2015 and 2014

1- Organization

Appleby Foundation (the "Foundation") was organized to stimulate public interest in, and educate the public in the appreciation of innovative dance forms utilizing music and theater. The Foundation also encourages and sponsors young dancers. The Foundation's programs are funded by contributions, grants and tuition fees. The Foundation's programs are composed of the following:

Kids Co-Motion
Education and outreach program for children ages 18 months to 18 years.

Summerdance
This program represents the Rebecca Kelly Ballet residency at the Lake Placid (N.Y.) Center for the Arts. Activities include: OnStage, a dance camp for children ages 6 to 18 years, performances by the Ballet Company, and classes in various locations.

New Works
Creation of new ballets for the Rebecca Kelly Ballet.

New York Season
Production of a series of ballet performances in New York City by the Rebecca Kelly Ballet.

Tahawus Center
The Foundation in partnership with the town of Au Sable Forks, New York, is leading a project to transform a real property to a network of local businesses, arts organizations, local artisans, schools and museums.

2- Summary of Significant Accounting Policies

Basis of Accounting
The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

Financial Statement Presentation
The financial statement presentation follows the guidance of the Financial Accounting Standards Board Accounting Codification Standards under which the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted
Net assets that are not subject to donor-imposed stipulations.

2- Summary of Significant Accounting Policies - (continued)

Temporarily Restricted
Net assets subject to donor-imposed stipulations that may or will be met, either by actions or the organization and/or that passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted
Net assets subject to donor-imposed stipulations that they be maintained permanently by the organization. The earnings from the permanently restricted net assets are to be used for temporarily and unrestricted purposes.

As of December 31, 2015 and 2014 all of the Foundation's net assets are unrestricted.

Cash and Cash Equivalents
For the purposes of the statement of cash flows, cash and cash equivalents consist of cash held in checking and money market accounts. From time to time, the Foundation maintains funds in financial institutions in excess of federally or other insured limits. Management believes the Foundation is not exposed to any significant credit risk on cash and cash equivalents.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of 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.

Accounts Receivable
Accounts receivable are due within one year and are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts has not been necessary due to the historical high rate of collection. Management believes that the carrying value of accounts receivable approximates fair value.

Advertising
Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2015 and 2014 amounted to $910 and $288, respectively.

2- Summary of Significant Accounting Policies - (continued)

Deferred revenue
Deferred revenue represents advance payments on a five and two year grant agreements commencing in 2014 and expiring in 2018.

Restricted and Unrestricted Contributions
Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increase in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Promises to Give
Unconditional promises to give are recognized as contributions in the period such promises are made. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Management believes that all outstanding balances, if any, are collectible and an allowance for doubtful accounts is not required.

Property and Equipment
All acquisitions of property and equipment in excess of $1,000 are capitalized. Management reviews property and equipment for impairment. Maintenance and repairs are charged to operations when incurred. Property and equipment are written off to operations when considered impaired.

2- Summary of Significant Accounting Policies - (continued)

Income Taxes
The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is not a private foundation under the code. Similar tax-exempt status applies at the state and local levels.

Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, new authoritative rulings and its operating characteristics to comply with its status as a nonprofit organization. Management has determined that it is more likely than not that any of the Foundation's tax positions will be sustained upon examination and therefore has not recognized any liability for uncertain tax positions.

The Foundation's tax returns for the years ending December 31, 2014, 2013 and 2012 are presently subject to examination by the taxing authorities.

Functional Allocation of Expenses
The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain personnel and other operating costs have been allocated among the programs and supporting services benefited.

Contributed Services
Unpaid volunteers have made contributions of effort to the Foundation's programs and administration. The value of this contributed effort is not reflected in these financial statements.

3- Operating Spaces

The Foundation rents rehearsal and office space on a month-to-month basis. Total rent expense for the year ended December 31, 2015 was $5,900.

4- Property and Equipment

Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Components	2015	2014	Years
Land	$ 8,000	$ 8,000	N/A
Building	181,025	179,536	39
Equipment	105,244	105,244	5
	294,269	292,780	
Accumulated depreciation	(63,543)	(40,541)	
	$230,726	$252,239	

Depreciation expense for 2015 and 2014 was $23,002 and $16,236 respectively.

5- Mortgage Payable

On July 30, 2009 the Foundation acquired land and building in Au Sable Forks, New York for $20,000. Acquisition costs and capital improvements paid in 2009 were $54,212. On November 9, 2009 the Foundation took a mortgage in the amount of $113,000 for a ten year period at 7% annual interest.

The annual requirement for principal payments on the mortgage for each of the next five years and thereafter is as follows:

2016	14,411
2017	15,708
2018	16,761
2019	15,020
	$ 61,900

6- Subsequent Events

Management has evaluated subsequent events through October 25, 2016, the date which the financial statements were available to be issued. Management is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.