

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION

FINANCIAL STATEMENTS

MARCH 31, 2014 AND 2013

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION

C O N T E N T S

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1-2
Statements of Financial Position as of March 31, 2014 and 2013	3
Statements of Activities for the Years Ended March 31, 2014 and 2013	4
Statements of Functional Expenses for the Years Ended March 31, 2014 and 2013	5-6
Statements of Cash Flows for the Years Ended March 31, 2014 and 2013	7
NOTES TO FINANCIAL STATEMENTS	8-14
<u>SUPPLEMENTARY INFORMATION</u>	
Schedules of Audience Collections for the Years Ended March 31, 2014 and 2013	15
Schedules of Research Grants, Fellowships and Neonatal Ventilator Programs for the Years Ended March 31, 2014 and 2013	16
Schedules of Special Event Revenues and Expenses for the Years Ended March 31, 2014 and 2013	17

INDEPENDENT AUDITORS' REPORT

Board of Directors
Will Rogers Motion Picture Pioneers Foundation
10045 Riverside Drive
Toluca Lake, California 91602

Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of Will Rogers Motion Picture Pioneers Foundation (a nonprofit organization), which comprise the statements of financial position as of March 31, 2014 and 2013, and the related statements of activities, functional expenses 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 misstatement, 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 misstatement.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall 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.

Mannon Kaplan, CPA
George Nadel Rivin, CPA
Edwin Kanemaru, CPA
Kenneth R. Holmer, CPA
Douglas S. Waite, CPA
Donald G. Garrett, CPA
Catherine C. Gardner, CPA
Jeffrey L. Goss, CPA
Richard DeFronzo, JD
Joanna Bolsky, CPA
Ronald D. Chandler, CPA
Michael G. Kaplan, CPA
Michael J. Quackenbush, CPA
Edmond Avanes, CPA
Crane Curran, CPA
Brian J. Harris, CPA
Gregory E. Klein, CPA
Andrew B. Koski, MBA
Grant K. Miller, CPA
Barbara Kogen, CPA
Kami B. Cohen, CPA
Kelly W. Fox, CPA
Andrew M. Rosen, CPA

Stanley L. Miller, CPA (1921-95)
Paul Arase, CPA (Retired)

Los Angeles
4123 Lankershim Boulevard
North Hollywood, CA 91602
Tel: 818.769.2010

San Francisco
44 Montgomery Street
Suite 3701
San Francisco, CA 94104
Tel: 415.956.3600

Seattle
1700 7th Avenue
Suite 2100
Seattle, WA 98101
Tel: 206.826.7180

Portland
1200 NW Marshall Street
Suite 812
Portland, OR 97209
Tel: 971.255.0546

Las Vegas
330 East Warm Springs Road
Las Vegas, NV 89119
Tel: 702.315.4213

Board of Directors
Will Rogers Motion Picture Pioneers Foundation

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Will Rogers Motion Picture Pioneers Foundation as of March 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 15 to 17, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Miller Kaplan Arase LLP

MILLER KAPLAN ARASE LLP
North Hollywood, California
February 10, 2015

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
STATEMENTS OF ACTIVITIES

	April 1, 2013 to March 31, 2014		
	Unrestricted	Temporarily Restricted	Total
<u>PUBLIC SUPPORT AND REVENUE</u>			
<u>Public Support</u>			
Audience Collections	\$ 1,998,499	\$ -	\$ 1,998,499
Donations	178,295	212,626	390,921
Pioneers Dinner	44,125	1,316,476	1,360,601
Film Row Classic	-	82,220	82,220
	2,220,919	1,611,322	3,832,241
<u>Total Public Support</u>			
Release of Temporary Restrictions	929,573	(929,573)	-
Investment Income	1,454,815	-	1,454,815
	4,605,307	681,749	5,287,056
<u>TOTAL PUBLIC SUPPORT AND REVENUE</u>			
<u>EXPENSES</u>			
<u>Program Services</u>	3,034,256	-	3,034,256
<u>Support Services</u>			
Administration	688,346	-	688,346
Fundraising	937,024	-	937,024
	4,659,626	-	4,659,626
<u>TOTAL EXPENSES</u>			
<u>CHANGE IN NET ASSETS</u>	(54,319)	681,749	627,430
<u>NET ASSETS, BEGINNING OF YEAR</u>	18,213,424	2,161,650	20,375,074
<u>NET ASSETS, END OF YEAR</u>	\$ 18,159,105	\$ 2,843,399	\$ 21,002,504

(Attached notes are an integral part of this statement)

April 1, 2012 to March 31, 2013

Unrestricted	Temporarily Restricted	Total
\$ 1,985,243	\$ -	\$ 1,985,243
406,297	225,788	632,085
-	691,847	691,847
-	64,320	64,320
2,391,540	981,955	3,373,495
1,868,502	(1,868,502)	-
1,839,534	-	1,839,534
6,099,576	(886,547)	5,213,029
4,915,786	-	4,915,786
638,971	-	638,971
841,485	-	841,485
6,396,242	-	6,396,242
(296,666)	(886,547)	(1,183,213)
18,510,090	3,048,197	21,558,287
<u>\$ 18,213,424</u>	<u>\$ 2,161,650</u>	<u>\$ 20,375,074</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2014

	Program Services				Support Services			Total
	Health Education	Research	Assistance	Total	Administration	Fundraising	Total	
Pioneers Dinner	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,042	\$ 441,042	\$ 441,042
Depreciation and Amortization	4,286	-	4,286	8,572	6,429	6,429	6,429	21,430
Donor Recognition	-	-	-	-	-	43,152	43,152	43,152
Dues and Subscriptions	-	-	-	-	4,756	-	4,756	4,756
Employee Benefits	15,156	-	41,324	56,480	46,029	25,176	71,205	127,685
Film Row Tournament	-	-	-	-	-	33,475	33,475	33,475
Fundraising File Costs	-	-	-	-	-	-	-	-
Fundraising Theatre Collection Costs	-	-	-	-	-	121,374	121,374	121,374
Health Education	350,283	-	-	350,283	-	-	-	350,283
Insurance	1,263	-	1,263	2,526	24,948	11,356	36,304	38,830
Investment Fees	-	-	-	-	185,682	-	185,682	185,682
Licenses and Permits	-	-	-	-	-	13,636	13,636	13,636
Medical Assistance	-	-	535,287	535,287	-	-	-	535,287
Miscellaneous Expenses	22,387	-	5,537	27,924	100,083	-	100,083	128,007
Office Equipment Rental	1,939	-	1,939	3,878	2,909	2,909	5,817	9,696
Printing, Office and Postage	23,893	-	80,062	103,955	32,831	53,172	86,003	189,958
Rent	19,458	-	19,458	38,916	33,840	8,460	42,306	81,216
Research Grants and Fellowships	-	1,564,750	12,000	1,576,750	-	-	-	1,576,750
Salaries and Payroll Expenses	81,107	-	216,617	297,724	215,899	158,110	473,933	671,733
Telephone	-	-	3,631	3,631	30,170	1,646	33,816	35,447
Travel and Meetings	18,561	1,600	8,169	28,330	4,770	17,087	22,857	50,187
	\$ 538,333	\$ 1,566,350	\$ 929,573	\$ 3,034,256	\$ 688,346	\$ 937,024	\$ 1,625,370	\$ 4,659,626
				<u>65%</u>	<u>15%</u>	<u>20%</u>		

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2013

	Program Services				Support Services		
	Health Education	Research	Assistance	Total	Administration	Fundraising	Total
Pioneers Dinner	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,634	\$ 209,634
Depreciation and Amortization	3,784	-	3,784	7,568	5,676	5,675	18,919
Donor Recognition	-	-	-	-	-	76,481	76,481
Dues and Subscriptions	-	-	-	-	4,489	-	4,489
Employee Benefits	17,670	-	42,553	60,223	43,542	36,552	140,317
Film Row Tournament	-	-	-	-	-	24,269	24,269
Fundraising File Costs	-	-	-	-	-	8,993	8,993
Fundraising Theatre Collection Costs	-	-	-	-	-	93,902	93,902
Health Education	706,618	-	-	706,618	-	-	706,618
Insurance	6,133	-	6,133	12,266	12,266	-	36,798
Investment Fees	-	-	-	-	151,507	-	151,507
Licenses and Permits	-	-	-	-	-	13,486	13,486
Medical Assistance	-	-	1,312,327	1,312,327	-	-	1,312,327
Miscellaneous Expenses	221,194	-	1,896	223,090	86,238	10,678	320,006
Office Equipment Rental	1,594	-	1,595	3,189	2,392	2,392	7,973
Printing, Office and Postage	21,744	-	54,857	76,601	44,298	98,585	219,484
Rent	28,885	-	28,885	57,770	57,770	-	173,310
Research Grants and Fellowships	-	2,065,530	24,000	2,089,530	-	-	2,089,530
Salaries and Payroll Expenses	98,547	-	233,794	332,341	199,191	171,723	703,255
Telephone	-	-	2,126	2,126	27,955	1,619	31,700
Travel and Meetings	16,000	8,027	8,110	32,137	3,647	17,460	53,244
	<u>\$ 1,122,169</u>	<u>\$ 2,073,557</u>	<u>\$ 1,720,060</u>	<u>\$ 4,915,786</u>	<u>\$ 638,971</u>	<u>\$ 841,485</u>	<u>\$ 6,396,242</u>
				<u>77%</u>	<u>10%</u>	<u>13%</u>	

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
STATEMENTS OF CASH FLOWS

	April 1, 2013 to March 31, 2014	April 1, 2012 to March 31, 2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 627,430	\$ (1,183,213)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) By Operating Activities:		
Depreciation and Amortization	21,430	18,919
Unrealized (Appreciation) Depreciation in Fair Value of Investments	(1,077,254)	564,314
Net Realized Loss (Gain) on Sale of Investments	192,213	(1,800,024)
Changes in Assets and Liabilities:		
Decrease in Accrued Interest and Dividends	1,177	17,699
(Increase) Decrease in Contributions Receivable	(1,485,053)	995,000
Decrease in Deposits and Prepaid Expenses	6,365	21,383
Increase in Accounts Payable and Accrued Expenses	14,613	819,331
<u>NET CASH (USED) BY OPERATING ACTIVITIES</u>	<u>(1,699,079)</u>	<u>(546,591)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from Sale of Investments	9,206,793	22,683,629
Purchase of Investments	(6,742,316)	(22,504,209)
Purchase of Property and Equipment	(17,683)	(14,954)
<u>NET CASH PROVIDED BY INVESTING ACTIVITIES</u>	<u>2,446,794</u>	<u>164,466</u>
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>747,715</u>	<u>(382,125)</u>
<u>CASH AND CASH EQUIVALENTS - APRIL 1</u>	<u>1,939,411</u>	<u>2,321,536</u>
<u>CASH AND CASH EQUIVALENTS - MARCH 31</u>	<u>\$ 2,687,126</u>	<u>\$ 1,939,411</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

The Will Rogers Motion Picture Pioneers Foundation (the "Organization") is a non-profit organization that funds fellowships and grants in the health care field, primarily pulmonary health, and provides health care reimbursements and medical referrals for people in the entertainment industry. It also provides health education through health fairs, public service announcements, its website and printed booklets. The Organization is supported by foundation, corporate and individual contributions, primarily from audience collections at participating movie theatres and its annual Pioneers Dinner.

In February 2003, the Foundation of Motion Picture Pioneers, Inc. ("FMPP"), a not-for-profit corporation, ceased operations, dissolved and contributed its remaining net assets to the Will Rogers Memorial Fund ("WRMF"). In return for this contribution, the WRMF agreed to legally change its name to the Will Rogers Motion Picture Pioneers Foundation and to carry on the purposes of FMPP including, specifically, the Pioneers Assistance program. The contribution will be used solely for the advancement of the mission of FMPP.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

B. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of donor restrictions. Under U.S. GAAP, contributions that are restricted by the donor are reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the restriction. Restricted contributions whose restrictions are met in the same reporting period are shown as unrestricted.

The Organization has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

C. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

D. In-Kind Contributions

The Organization recognizes revenue for certain services received at the fair value of those services. In 2003, the fair value of donated legal services relating to the contribution of the net assets of FMPP and the subsequent name change to the Will Rogers Motion Picture Pioneers Foundation was reflected in revenues and capitalized as organization cost. The organization cost, totaling \$36,096, is being amortized using the straight-line method over fifteen years. It is reported in the statements of financial position net of accumulated amortization, which totaled \$25,865 and \$23,459 as of March 31, 2014 and 2013, respectively. Amortization of \$2,406 is recognized annually.

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. In-Kind Contributions (Continued)

The Organization leases office space for a monthly amount that is below the current fair rental value due to the landlord's desire to further the objectives of the Organization. In-kind rent representing the difference between fair rental value and the amount actually paid, totaling \$2,044 and \$95,141 for the years ended March 31, 2014 and 2013, respectively, has been recognized as public support and rent expense.

The Organization recognized the fair value of advertising time provided free of charge by television stations for public service announcements. The Organization records the fair value of the advertisements as public support and health education expense. In-kind advertising time totaling \$0 and \$230,391 for the years ended March 31, 2014 and 2013, respectively, was recorded as revenue and expense.

E. Property and Equipment

All expenditures for fixed assets and major improvements are capitalized and recorded in the statements of financial position at cost. Donated assets are recorded at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method based on the estimated useful lives of the assets (See Note 3).

F. Functional Allocation of Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

G. Income Taxes

The Organization is a nonprofit organization and is exempt from Federal and state income taxes under Internal Revenue Code 501(c)(3) and California Revenue and Taxation Code Section 23701d.

The Organization has adopted guidance on accounting for uncertainty in income taxes issued by the Financial Accounting Standards Board. Management believes that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. As of March 31, 2014, information returns for years subsequent to March 31, 2009 (2008 for state returns) were subject to examination by authorities.

H. Cash and Cash Equivalents

Cash and cash equivalents include cash and money market funds in banks and brokerage accounts.

I. Contributions Receivable

Contributions receivable represent unconditional promises to give made on or before March 31 for which payment had not yet been received. The estimated allowance for doubtful accounts was \$8,500 and \$0 for the years ended March 31, 2014 and 2013, respectively. There were no contributions receivable at March 31, 2013; receivables at March 31, 2014 relate to Theatre Program Audience Collections and were receivable within one year.

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

Accruals of \$10,717 and \$3,737 for employees' compensated absences are included in accrued expenses as of March 31, 2014 and 2013, respectively.

K. Investment Valuation and Income Recognition

U.S. GAAP establishes a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 – Inputs are quoted prices in an active market.

Level 2 – Inputs are quoted prices for similar instruments and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

Level 3 – Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

The following tables summarize the Plan's investments based on the inputs used to value them:

Description	March 31, 2014			Total
	Level 1	Level 2	Level 3	
Common Stock:				
Basic Materials	\$ 149,776	\$ -	\$ -	\$ 149,776
Consumer Goods	140,694	-	-	140,694
Financial	169,440	-	-	169,440
Healthcare	90,665	-	-	90,665
Industrial Goods	57,448	-	-	57,448
Services	199,071	-	-	199,071
Technology	180,692	-	-	180,692
Mutual Funds:				
Fixed Income - Bond Funds	1,655,946	-	-	1,655,946
Equity Income - Stock Funds	11,656,921	-	-	11,656,921
Private Equity:				
Partnerships	-	2,290,419	129,749	2,420,168
Corporations	-	-	1,432,818	1,432,818
Other	-	128,662	-	128,662
	<u>\$ 14,300,653</u>	<u>\$ 2,419,081</u>	<u>\$ 1,562,567</u>	<u>\$ 18,282,301</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Investment Valuation and Income Recognition (Continued)

Description	March 31, 2013			Total
	Level 1	Level 2	Level 3	
Certificates of Deposit	\$ -	\$ 530,402	\$ -	\$ 530,402
Commodity	452,134	-	-	452,134
Mutual Funds:				
Fixed Income - Bond Funds	5,649,172	-	-	5,649,172
Equity Income - Stock Funds	7,788,798	-	-	7,788,798
Private Equity:				
Partnerships	-	2,912,635	-	2,912,635
Corporations	-	-	1,268,683	1,268,683
Exchange Traded Funds -				
Emerging Markets	1,171,034	-	-	1,171,034
Other	-	88,879	-	88,879
	<u>\$ 15,061,138</u>	<u>\$ 3,531,916</u>	<u>\$ 1,268,683</u>	<u>\$ 19,861,737</u>

Level 3 investment activity for the years ended March 31, 2014 and 2013 was as follows:

	Private Equity Partnerships & Corporations March 31, 2014	Private Equity Corporations March 31, 2013
Beginning Balance	\$ 1,268,683	\$ -
Transfers	-	-
Purchases	201,571	1,150,000
Sales	-	-
Realized Gain (Loss)	-	-
Unrealized Gain (Loss)	92,313	118,683
Income	-	-
Ending Balance	<u>\$ 1,562,567</u>	<u>\$ 1,268,683</u>

Level 1 investments consist of common stock, commodities, mutual funds and exchange traded funds that are actively traded on a national exchange.

Level 2 investments consist of certificates of deposit that are valued using matrices of similar securities and private equity partnerships that are valued based on their underlying investments. The underlying investments may be valued using national exchange information, valuation models or a small portion that is valued based on management estimates.

Level 3 investments consist of a private equity partnership and private equity corporations. The partnership is valued based on the underlying assets and liabilities of the investee fund. The corporations are valued at net asset value (NAV), which are valued based on various methods using unobservable inputs. Such inputs include the evaluation of financial and operating data, company specific developments, market valuations of comparable companies and other valuation models. For investments where the last sales price is not available an average of various curves from multiple sources will be used in conjunction with industry

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Investment Valuation and Income Recognition (Continued)

accepted pricing models. Other methods include using a single source, which is the result of a trade with a counter party and the use of the value determined by the investment manager. The investment strategies, unfunded commitments and significant terms of redemption for investments valued at NAV are as follows:

CERBERUS RMBS OPPORTUNITIES FEEDER FUND, LTD. invests all of its investable assets in Cerberus RMBS Opportunities Fund, L.P. (the "Partnership") and seeks, by investing through the Partnership, to maximize total return by generating both current income and capital appreciation through a variety of long and short mortgage-centric investment strategies.

EMERGING MARKET CURRENCY FUND invests substantially all of its assets in the NWI Emerging Market Fixed Income Master Fund, Ltd. which seeks to maximize total returns with dampened volatility and rigorous capital protection through thematic directional and long/short global macro-investing with emphasis on emerging markets.

OCA SA MEZZANINE II SEGREGATED PORTFOLIO seeks to achieve returns by investing in the Sankaty Middle Market Opportunities Fund II-A, L.P. which seeks to achieve its objective by investing in middle market mezzanine investments, middle market first/second lien loans, secondary purchases of assets or portfolios, and special situations financing.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Cerberus RMBS Opportunities Feeder Fund, LTD.	\$ 695,408	None	Quarterly	90 Days
Emerging Market Currency Fund	649,081	None	Quarterly	60 Days
OCA SA Mezzanine II Segregated Portfolio	88,329	\$ 513,000	At Manager's Discretion	None

Investment income comprises the following:

	<u>Year Ended March 31,</u>	
	<u>2014</u>	<u>2013</u>
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 1,077,254	\$ (564,314)
Realized Gain (Loss) on Sale of Investments	(192,213)	1,800,024
Dividends and Interest	569,774	603,824
<u>Total Investment Income</u>	<u>\$ 1,454,815</u>	<u>\$ 1,839,534</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Asset Life in Years	March 31, 2014	March 31, 2013
Office Equipment	5-10	\$ 196,612	\$ 178,929
Leasehold Improvements	39	18,383	18,383
		<u>214,995</u>	<u>197,312</u>
Less: Accumulated Depreciation		<u>(136,750)</u>	<u>(117,726)</u>
		<u>\$ 78,245</u>	<u>\$ 79,586</u>

Depreciation for the year ended March 31, 2014 was \$19,024 and was \$16,513 for the year ended March 31, 2013. Depreciation and amortization are computed using the straight-line method over the estimated useful life of the related asset.

NOTE 4 - CONCENTRATION OF CREDIT RISK

The Organization maintains cash on deposit with various banks and brokerage firms. Interest-bearing and noninterest-bearing cash balances in banks are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. At March 31, 2014, \$620,544 of bank deposits exceeded the level of insurance coverage. Cash and cash equivalents held in brokerage accounts, totaling \$1,750,603 at March 31, 2014, are not covered by the FDIC. The Organization has not experienced any losses in these accounts.

NOTE 5 - PLOTS IN PINERIDGE AND KENSICO CEMETERIES

The Organization currently owns the rights to approximately 200 unused cemetery plots in the Pineridge and Kensico Cemeteries located in Valhalla, New York. Under New York State Corporate Law and Regulations concerning the resale of burial rights, the cemetery has first right to purchase the plots back at the Cemetery Board approved price. Therefore, the plots are reported at a nominal value in the statements of financial position.

NOTE 6 - PENSION PLANS

The Organization sponsors a qualified defined contribution pension plan. All employees who are at least 21 years of age and have completed one year of service with a minimum of 1,000 hours are eligible to participate. The Organization matches employee contributions of up to 5% of annual compensation. In addition, the Organization has created a deferred compensation plan for paid officers. Total contributions of \$35,559 and \$39,356 were made or accrued by the Organization to these plans for the years ended March 31, 2014 and 2013, respectively.

NOTE 7 - OFFICE LEASE

A lease was executed by the Organization for office space at 10045 Riverside Drive in Toluca Lake, California for a period of five years commencing July 1, 2003, and subsequently extended for an additional five years through June 30, 2013. On August 1, 2013, a new lease was executed for a period of five years, ending August 31, 2018. In addition to base monthly rent, the lease requires the Organization to pay its share of building operating expenses. As a result of the landlord's desire to further the objectives of the Organization, it leased the premises at a reduced rate (See Note 2-D). Rent paid under the leases totaled \$81,216 and \$78,169 for the years ended March 31, 2014 and 2013, respectively.

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

NOTE 7 - OFFICE LEASE (Continued)

The future minimum rental payments under the lease obligation approximates as follows:

2015	\$ 86,000
2016	88,000
2017	91,000
2018	94,000
2019	<u>32,000</u>
	<u>\$ 391,000</u>

NOTE 8 - NET ASSETS

Temporarily restricted net assets of \$2,843,399 and \$2,161,650 as of March 31, 2014 and 2013, respectively, are available for the Assistance program.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

As part of its investment agreements with various partnerships and corporations, the Foundation has made capital commitments totaling \$1,675,000. As of March 31, 2014, the Plan had invested \$213,481; its remaining commitment was \$1,461,519.

	<u>November 30, 2013</u>		
	<u>Investment Commitment</u>	<u>Invested To Date</u>	<u>Remaining Commitment</u>
OCA KKR Energy Fund LLC	\$ 500,000	\$ 126,481	\$ 373,519
OCA SA Mezzanine II Segregated Portfolio	600,000	87,000	513,000
OCA GSO II SP	<u>575,000</u>	<u>-</u>	<u>575,000</u>
	<u>\$ 1,675,000</u>	<u>\$ 213,481</u>	<u>\$ 1,461,519</u>

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 10, 2015, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.

SUPPLEMENTARY INFORMATION

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
SCHEDULE OF AUDIENCE COLLECTIONS

	<u>Unrestricted</u>	<u>March 31, 2014</u>	<u>March 31, 2013</u>
Audience Collections:			
AMC Inc.	\$ 130,000	\$ 130,000	117,156
Carmike Cinemas	332,176	332,176	279,363
Cinemagic Theatre, LLC	500	500	500
Cinemark USA	350,000	350,000	350,000
Clearview Cinemas	-	-	94,775
Digital Cinema Destinations Corp.	11,742	11,742	-
Goodrich Quality Theatres	74,648	74,648	62,000
Ipic-Gold Class Entertainment, LLC	-	-	4,689
Malco Theatres	3,500	3,500	3,500
Marcus Theatre Corp.	26,738	26,738	-
NAI Entertainment Holdings, LLC	47,929	47,929	43,900
National Amusements	4,876	4,876	4,888
Paragon Deerfield Inc.	1,158	1,158	-
Phoenix Big Cinema	909	909	-
R/C Theatres	606	606	811
Regal Cinemas	1,000,000	1,000,000	1,000,000
Showplex Cinemas, Inc.	-	-	5,418
The Grand Theatre Operating Co.	1,604	1,604	6,014
United Drive-In Theatres	7,473	7,473	5,539
Wehrenberg Theatres	4,540	4,540	6,469
Other Not Itemized	100	100	221
	<u> </u>	<u> </u>	<u> </u>
<u>Total Audience Collections</u>	<u>\$ 1,998,499</u>	<u>\$ 1,998,499</u>	<u>\$ 1,985,243</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
SCHEDULE OF RESEARCH GRANTS, FELLOWSHIPS, SCHOLARSHIP AND
NEONATAL VENTILATOR AWARD PROGRAMS

	<u>Unrestricted</u>	<u>March 31, 2014</u>	<u>March 31, 2013</u>
Research Grants:			
Burke Rehabilitation Hospital	\$ 80,000	\$ 80,000	\$ 80,000
University of California Los Angeles	150,000	150,000	150,000
Univ. of Southern California - Keck School of Med.	225,000	225,000	150,000
Total Grants	<u>455,000</u>	<u>455,000</u>	<u>380,000</u>
Fellowships:			
Children's Mercy Hospital and Clinic	75,000	75,000	75,000
Emory University	40,000	40,000	40,000
New York University School of Medicine	40,000	40,000	40,000
Fort Sanders Fdn. - Patricial Neal Rehab. Ctr.	150,000	150,000	150,000
University of California Los Angeles	120,000	120,000	120,000
University of Massachusetts	40,000	40,000	40,000
Univ. of Southern California - Keck School of Med.	120,000	120,000	120,000
University of Texas - SW Medical Center	80,000	80,000	80,000
University of Wisconsin - Madison Medical Sch.	40,000	40,000	40,000
Total Fellowships	<u>705,000</u>	<u>705,000</u>	<u>705,000</u>
Neonatal Ventilator Program:			
Athens Regional Health Systems	-	-	26,670
Bakersfield Memorial Hospital	-	-	34,384
Bloomington Hospital Foundation	-	-	35,040
California Hospital Medical Center Foundation	35,710	35,710	-
Children's Hospital of King's Daughters	-	-	49,850
CRISTUS Health Foundation of SE Texas	47,537	47,537	-
DCH Foundation, Inc	24,000	24,000	-
East Tennessee Childrens Hospital	-	-	500,000
Eastern Maine Medical Center	-	-	50,000
Good Shepherd Foundation Inc.	-	-	37,248
Intermountain Healthcare Foundation	34,165	34,165	-
Madison Memorial Hospital	10,000	10,000	-
Mary Washington Hospital	20,000	20,000	-
Monmouth Medical Center Foundation	40,000	40,000	-
New Hanover Regional Medical Center	-	-	50,000
Newark Beth Israel Medical Center Foundation	-	-	50,000
Port Huron Hospital Foundation	-	-	49,338
Presbyterian Hospital Foundation	23,500	23,500	-
Providence St. Vincent Medical Foundation	-	-	38,000
Redlands Community Hospital Foundation	33,363	33,363	-
Scottsdale Healthcare Foundation	17,000	17,000	-
Sharp HealthCare Foundation	21,265	21,265	-
St. Francis Medical Center Foundation	-	-	20,000
St. John Hospital Foundation	50,000	50,000	-
St. Lukes Regional Medical Center	-	-	40,000
State of Mississippi - Univ. of Mississippi Med Ctr	12,500	12,500	-
VHS Harlingen Hospital Company	35,710	35,710	-
Total Neonatal Ventilator Program	<u>404,750</u>	<u>404,750</u>	<u>980,530</u>
Total Award Programs	<u>\$ 1,564,750</u>	<u>\$ 1,564,750</u>	<u>\$ 2,065,530</u>

WILL ROGERS MOTION PICTURE PIONEERS FOUNDATION
SCHEDULE OF SPECIAL EVENT REVENUES AND EXPENSES

	<u>Pioneer of the Year</u>	<u>Film Row Charity Classic</u>	<u>2014</u>	<u>2013</u>
Donations (net)	\$ 1,316,476	\$ 62,750	\$ 1,379,226	\$ 721,597
Ticket Sales	44,125	19,470	63,595	34,570
Gross Receipts	<u>1,360,601</u>	<u>82,220</u>	<u>1,442,821</u>	<u>756,167</u>
Event Costs:				
Entertainment	12,447	-	12,447	-
Prizes	-	8,167	8,167	6,789
Rental / Facility	127,202	9,718	136,920	45,399
Staging and Production	36,398	-	36,398	6,218
Catering	92,191	846	93,037	58,636
Décor	10,161	-	10,161	5,978
Total Event Costs	<u>278,399</u>	<u>18,731</u>	<u>297,130</u>	<u>123,020</u>
Fundraising:				
Meeting Expenses	682	-	682	379
Printing and Postage	153,847	4,548	158,395	107,986
Recognition	4,881	10,196	15,077	2,223
Supplies	3,233	-	3,233	-
Technical / Transportation	-	-	-	295
Total Fundraising	<u>162,643</u>	<u>14,744</u>	<u>177,387</u>	<u>110,883</u>
Total Event Costs	<u>441,042</u>	<u>33,475</u>	<u>474,517</u>	<u>233,903</u>
Net Event Revenues	<u>\$ 919,559</u>	<u>\$ 48,745</u>	<u>\$ 968,304</u>	<u>\$ 522,264</u>