

**REMOTE AREA MEDICAL, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND 2014**

REMOTE AREA MEDICAL, INC.  
YEARS ENDED DECEMBER 31, 2015 AND 2014

CONTENTS

	Page
Independent Auditor's Report	1 - 2
Consolidated Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5 - 6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 14

# Bible Harris Smith, P.C.

Certified Public Accountants and Business Advisors Since 1949

507 West Clinch Avenue  
Knoxville, TN 37902-2104  
Phone 865-546-2300  
Fax 865-525-7454  
E-mail *lastname*@BHSpc.com

Member of the AICPA Peer Review  
Program  
Member of the Tennessee Society  
of Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Remote Area Medical, Inc.

We have audited the accompanying consolidated financial statements of Remote Area Medical, Inc. (a nonprofit organization) and affiliate, Remote Area Medical Foundation, Inc., which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated 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 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 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 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 financial position of Remote Area Medical, Inc. and affiliates as of December 31, 2015 and 2014, 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.

*Bible Harris Smith, P.C.*

Bible Harris Smith, P.C.  
Knoxville, Tennessee  
October 4, 2016

REMOTE AREA MEDICAL, INC.  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2015	2014
ASSETS		
CASH AND CASH EQUIVALENTS	\$ 2,650,872	5,793,902
PROMISES TO GIVE	426,355	384,959
PREPAID EXPENSES	79,559	73,765
SHORT TERM INVESTMENTS	2,932,533	853,575
PROPERTY AND EQUIPMENT, NET	5,474,713	3,973,747
DEPOSITS	14,092	14,092
TOTAL ASSETS	\$ 11,578,124	\$ 11,094,040
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 39,334	\$ 86,143
Accrued Liabilities	63,829	20,028
Due to Affiliates	52,206	-
Note Payable	-	200,000
TOTAL LIABILITIES	155,369	306,171
NET ASSETS		
Unrestricted	9,715,809	9,410,223
Temporarily Restricted	1,706,946	1,377,646
TOTAL NET ASSETS	11,422,755	10,787,869
TOTAL LIABILITIES AND NET ASSETS	\$ 11,578,124	\$ 11,094,040

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

REMOTE AREA MEDICAL, INC.  
CONSOLIDATED STATEMENTS OF ACTIVITIES

	Year Ended December 31,	
	2015	2014
UNRESTRICTED NET ASSETS		
Revenues and Other Increases:		
Public Support:		
General Contributions	\$ 1,999,832	\$ 1,551,088
Contributions of Services	1,700,000	2,057,266
Contributions of Materials, Property, and Facilities	762,149	2,500
Other Revenue	-	296,173
Total Public Support	4,461,981	3,907,027
Investment Income	-	20,889
Net Assets Released From Restrictions	571,223	1,599,717
Total Revenues and Other Increases	5,033,204	5,527,633
Expenses and Losses:		
Program Services	3,814,266	4,070,173
Supporting Services:		
Management and General	513,664	634,324
Fund-Raising	296,701	248,750
Total Expenses	4,624,631	4,953,247
Loss on Disposition of Property	5,085	-
Investment Loss	97,902	-
Total Expenses and Losses	4,727,618	4,953,247
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	305,586	574,386
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	900,523	1,077,788
Net Assets Released From Restrictions	(571,223)	(1,599,717)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	329,300	(521,929)
INCREASE (DECREASE) IN NET ASSETS	634,886	52,457
NET ASSETS - BEGINNING	10,787,869	10,735,412
NET ASSETS - ENDING	\$ 11,422,755	\$ 10,787,869

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

REMOTE AREA MEDICAL, INC.  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2015			
	Total	Program Services	Management and General	Fund Raising
Donated Services:				
Medical Personnel	\$ 1,700,000	\$ 1,700,000	\$ -	\$ -
Direct Expedition Expenses	236,647	236,647	-	-
Salary and Benefits	976,118	523,630	344,611	107,877
Depreciation	644,037	644,037	-	-
Grants to Affiliates	167,250	167,250	-	-
Travel	140,579	135,748	1,846	2,985
Public Relations and Fund Raising	129,704	2,708	-	126,996
Office Supplies and Expenses	119,831	49,008	41,653	29,170
Aviation	117,969	117,969	-	-
Legal & Professional Fees	87,719	13,657	59,062	15,000
Insurance	80,645	56,761	18,040	5,844
Miscellaneous	60,560	54,536	5,707	317
Utilities	39,208	35,572	3,636	-
Repairs and Maintenance	27,563	25,025	2,538	-
Registrations, Licenses and Fees	25,970	20,577	5,267	126
Telephone	17,261	7,630	9,453	178
Postage and Delivery	17,095	6,979	2,690	7,426
Facilities	13,597	2,462	11,135	-
Credit Card and Other Service Fee	11,368	11,042	325	1
Conferences and Meetings	5,959	427	4,751	781
Equipment Rental	4,381	1,431	2,950	-
Interest Expense	1,170	1,170	-	-
<b>TOTAL EXPENSES</b>	<b><u>\$ 4,624,631</u></b>	<b><u>\$ 3,814,266</u></b>	<b><u>\$ 513,664</u></b>	<b><u>\$ 296,701</u></b>

Continued on Page 6

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

REMOTE AREA MEDICAL, INC.  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Continued from Page 5

	Year Ended December 31, 2014			
	Total	Program Services	Management and General	Fund Raising
Donated Services:				
Medical Personnel	\$ 2,057,266	\$ 2,057,266	\$ -	\$ -
Expedition Expenses:				
Travel Expenses	311,143	311,143	-	-
Other Expedition Expense	434,444	434,444	-	-
Salary and Benefits	911,363	518,241	310,232	82,890
Depreciation	525,184	525,184	-	-
Office Supplies and Expenses	190,234	67,464	72,444	50,326
Legal and Professional Fees	112,752	4,886	107,866	-
Insurance	75,614	28,814	46,800	-
Public Relations	60,344	365	8,821	51,158
Building Maintenance	54,098	10,934	43,164	-
Utilities	53,668	46,384	7,284	-
Fund Raising	47,354	-	-	47,354
Interest Expense	40,339	39,949	390	-
Non-Expedition Travel	30,493	-	14,377	16,116
Telephone	18,076	7,579	9,927	570
ACS and Paypal Fees	14,846	12,719	1,840	287
Rent and Leases	10,112	2,924	7,188	-
Miscellaneous	5,917	1,877	3,991	49
TOTAL EXPENSES	\$ 4,953,247	\$ 4,070,173	\$ 634,324	\$ 248,750

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



REMOTE AREA MEDICAL, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ 634,886	\$ 52,457
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) By Operating Activities		
Depreciation	644,037	525,184
Donated Property Included in Support	(690,000)	(2,500)
Property Donated to Guyana	-	39,795
(Gain) or Loss on Disposition of Property	5,085	(296,173)
Donated Investments Included in Support	(341,827)	(527,563)
Reinvested Investment Earnings	(47,802)	(14,328)
Unrealized (Gain) Loss on Investments	173,525	1,848
(Increase) Decrease in Assets		
Promises to Give	(41,396)	(142,377)
Deposits	-	(2,042)
Prepaid Insurance	(5,794)	(21,417)
Increase (Decrease) in Liabilities		
Accounts Payable	(46,809)	(24,309)
Accrued Liabilities	43,801	20,028
Net Cash Provided (Used) By Operating Activities	327,706	(391,397)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of Investments	1,098,552	2,295,044
Purchase of Investments	(2,961,406)	(530,817)
Proceeds from Disposition of Property	-	600,000
Purchase of Property and Equipment	(1,460,088)	(1,480,714)
Net Cash Provided (Used) By Investing Activities	(3,322,942)	883,513
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Debt	(200,000)	(1,600,000)
Contributions due to Affiliate	52,206	-
Short-term Borrowings	-	200,000
Net Cash Provided (Used) By Financing Activities	(147,794)	(1,400,000)
NET INCREASE (DECREASE) IN CASH	(3,143,030)	(907,884)
CASH - BEGINNING	5,793,902	6,701,786
CASH - ENDING	2,650,872	5,793,902
Cash Paid for Interest	\$ 1,170	\$ 40,339

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

REMOTE AREA MEDICAL, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014

Note 1 - Summary of Significant Accounting Policies

Operations - Remote Area Medical, Inc. (RAM) is a nonprofit organization with headquarters in Knoxville, Tennessee, and is committed to providing mobile medical services in medically deprived areas throughout the world and the United States. RAM provides medical, dental, veterinary and ophthalmic services through a volunteer corps of doctors, veterinarians, nurses, and technicians. These volunteers go on expeditions mostly at their own expense, treating hundreds of patients a day. In addition to the services provided by medical volunteers, RAM is dependent upon the volunteer services of expedition support staff, contributions of supplies, equipment and medicines, and monetary support to fulfill its objectives.

In addition, RAM conducts a year round project in Guyana, South America, with primary emphasis on free air ambulance service for isolated villages in the wilderness interior. RAM conducts several medical missions to the region every year utilizing volunteer medical and support personnel. Some teams, usually surgical teams, work at a local hospital and others travel to small communities throughout the rainforest.

RAM's board initiated the creation of a nonprofit organization named Remote Area Medical Foundation, Inc. (RAMF). The purpose of RAMF was to raise money to fund the expeditions of RAM. In 2013, the Board of Remote Area Medical Foundation, Inc. resolved to dissolve and transfer all its assets to RAM. The process of dissolution included obtaining approval from the State of Tennessee Attorney General. The dissolution process was completed during the year ended December 31, 2015.

Principles of Consolidation - The consolidated financial statements include the accounts of Remote Area Medical Foundation, Inc. (collectively, the Organization) RAMF is consolidated with RAM since RAM has an economic interest in RAMF and common control exists. All material interorganizational transactions have been eliminated.

Income Tax Status - The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is made in the accompanying financial statements as the Organization has no net unrelated business income.

The Organization has adopted the authoritative guidance related to accounting for uncertainty in income taxes included in the ASC Topic *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertain tax positions for the year ended December 31, 2015, and determined that there were no matters that would require recognition in the financial statements or which may have any effect on its tax-exempt status. As of December 31, 2015, the statute of limitations for tax years 2012 through 2014 remains open with the U.S. federal jurisdiction or the various states and local jurisdictions in which the Organization files tax returns. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expense. As of December 31, 2015, the Organization had no accruals for interest and/or penalties.

Basis of Presentation - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (FASB) ASC 958-210 (formerly SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*). Under ASC 958-210, the Organization 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.

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

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

Recognition of Donor Restrictions - Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When the purpose of the restriction has been accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the Statement of Activities as "Net Assets Released from Restrictions."

Cash and Cash Equivalents - The Organization's cash and cash equivalents include money market funds and certificates of deposit held at various financial institutions. For purposes of the statement of cash flows, the Organization considers certificates of deposits and highly liquid debt instruments to be cash equivalents, unless permanently restricted. The fair value of cash equivalents does not differ materially from the carrying value due to the short maturities of the instruments.

Property and Equipment - Purchased property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Unless the donor has stipulated how long donated assets must be maintained, RAM reports the expiration of donor restrictions when the donated or acquired assets are placed in service; at that time, the assets are transferred from restricted net assets to unrestricted net assets.

Donated Services - The accomplishment of the Organization's mission is entirely dependent upon volunteers. RAM requires a staff of medical professionals who provide specialized treatment to patients. These professionals include physicians, registered nurses, dentists, veterinarians, and optometrists. The value of the services provided by such individuals is recorded in the financial statements based on national averages established by the United States Department of Labor.

The Organization's Founder and President serves the Organization virtually around the clock without compensation and is an internationally known speaker and television personality whose services would be extremely valuable in a commercial market. However, the President has not and will not accept compensation for his efforts on the Organization's behalf. Because it is impossible to place a monetary value on his services, the value of his time which has been donated to lead expeditions, recruit volunteers, and to raise funds for the Organization has not been reflected in these financial statements.

RAM also utilizes other volunteers to assist the medical professionals in the treatment of patients and in support of office operations. These donated services are not reflected in the financial statements but have an estimated value of approximately \$600,000 and \$462,000 for the years ended December 31, 2015 and 2014, respectively.

Donated Materials - Other noncash donations totaling \$72,149 and \$0 for the years ended December 31, 2015 and 2014, respectively, have been recorded as contributions in-kind and expenses in the financial statements. The value of perishable donated medical supplies and medicines are not reflected in the accompanying financial statements since there is no objective basis available to measure the value of such materials.

Travel In-Kind - The Organization's expeditions periodically require volunteers to travel to remote locations. In most situations, the volunteers are responsible for providing their own transportation resulting in an in-kind donation of travel costs. The value of these contributions is not reflected in the accompanying financial statements because information is not currently available to compute the amount of the expenses incurred.

Promises to Give - Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Fair Value Measurement – In determining fair value, FASB ASC 820-10 (formerly FASB No. 157, “Fair Value Measurements”), provides guidance for measuring fair value and required additional disclosures.

Reclassifications – Certain reclassifications have been made to the 2014 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

## Note 2 – Cash and Investments

The balances in Cash and Cash Equivalents and Investments at December 31 include:

	<u>2015</u>	<u>2014</u>
Cash and Cash Equivalents		
Bank Accounts	\$ 2,192,093	\$ 3,234,950
Securities Firm Cash and Certificates of Deposit	458,779	2,558,952
Total Cash and Cash Equivalents	<u>\$ 2,650,872</u>	<u>\$ 5,793,902</u>
Investments		
Securities Firm issued Savings Certificates	\$ 221,859	\$ 327,472
Municipal and Corporate Bonds	71,816	-
Common Stocks and Options	425,503	121,568
Mutual Funds	2,213,355	404,535
Total Investments	<u>\$ 2,932,533</u>	<u>\$ 853,575</u>

Cash held in bank accounts in excess of the Federal Deposit Insurance (FDIC) limit totaled approximately \$1,762,000 and \$1,552,000 at December 31, 2015 and 2014, respectively. In addition, cash and investments held in Securities Firms at December 31, 2015 and 2014 totaling approximately \$184,000 and \$1,229,000 respectively were not federally insured. The Securities Firms are members of the Securities Investor Protection Corporation (SIPC) which protects securities accounts up to a maximum of \$500,000 per customer, including \$250,000 in cash balances.

Investments are reported at fair value in the accompanying balance sheet. The fair value framework described in FASB ASC 820-10 requires the categorization of assets and liabilities into three levels based upon the assumptions

(inputs) used to value the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets. The fair value for Savings Certificates and Money Funds is the value reported to the Organization by the Securities Firms.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

	Fair Value Measurement Using:			
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2015</u>				
Savings Certificates	\$ 221,859	\$ -	\$ 221,859	\$ -
Bonds	71,816	71,816	-	-
Common Stocks	425,503	425,503	-	-
Mutual Funds	2,213,355	2,213,355	-	-
Total	<u>\$ 2,932,533</u>	<u>\$ 2,710,674</u>	<u>\$ 221,859</u>	<u>\$ -</u>
<u>December 31, 2014</u>				
Savings Certificates	\$ 327,472	\$ -	\$ 327,472	\$ -
Mutual Funds	121,568	121,568	-	-
Money Funds	404,535	-	404,535	-
Total	<u>\$ 853,575</u>	<u>\$ 121,568</u>	<u>\$ 732,007</u>	<u>\$ -</u>

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of the investments securities, it is at least reasonably possible that changes in market values in the near term would materially affect the fair value of the investments reported in the balance sheet at December 31, 2015.

The following summarizes the investment income in the statement of activities:

	December 31,	
	2015	2014
Interest and dividends	\$ 47,802	\$ 17,301
Unrealized (losses) gains	(175,884)	\$ 1,848
Total Investment Return	\$ (128,082)	\$ 19,149
Interest on Cash and Cash Equivalents	30,180	1,740
Total Investment Income (Loss)	\$ (97,902)	\$ 20,889

### Note 3 - Receivables

Promises to give at December 31, 2015 and 2014 are currently due and considered fully collectible.

### Note 4 - Property and Equipment

Property and equipment are depreciated using the straight-line method over forty years for real property and five to ten years for other property. It is the Organization's policy to expense additions to property and equipment with individual costs of less than \$1,000.

The Organization also had access to the use of three aircraft for a minimal yearly lease payment. These assets are not included in property and equipment as title is retained by the donors.

A recreational vehicle owned by a board member is kept on RAM's premises. It is used for housing at away clinics.

Property and equipment consisted of the following:

	December 31,	
	2015	2014
Aircraft	\$ 1,699,034	\$ 1,022,031
Medical Equipment	1,674,088	2,114,137
Buildings	1,634,227	1,589,608
Land	1,282,936	
Vehicles and Mobile Equipment	1,374,855	1,309,724
Furniture	18,675	18,675
Construction in Progress	486	-
Total	7,684,301	6,054,175
Less: Accumulated Depreciation	(2,209,588)	(2,080,428)
Net Book Value of Property and Equipment	\$ 5,474,713	\$ 3,973,747

Total property and equipment includes assets totaling \$690,000 and \$2,500 donated in fiscal years December 31, 2015 and 2014, respectively. The value of donated medical equipment is estimated by the medical professionals who work with RAM. The value of all other donated assets is determined with reference to published sources.

#### Note 5 – Notes Payable

The note payable is due to a financial institution. The note bears interest at a fixed rate of 2.34% and is due March 18, 2015. The Organization has assigned a deposit account valued at \$200,000 as collateral for the note. The note was paid in full in 2015.

#### Note 6 – Related Party Transactions

The Organization uses a company owned by a Board member to service aircraft. Amounts paid to this company totaled approximately \$14,000 and \$4,000 during the years ended December 31, 2015 and 2014. In addition, the Organization purchased approximately \$1,300 of equipment from a board member's store.

#### Note 7 - Restrictions on Assets

Temporarily restricted net assets consist of cash equivalents and investments. They were available to be used for the following purposes:

	December 31,	
	2015	2014
USA Reach Across America	\$ 1,064,577	\$ 890,792
Veterinary Services and Equipment	285,169	269,312
Appalachia	166,413	37,418
Miscellaneous Designations	78,276	75,291
Disaster	57,620	53,317
Haiti	49,991	49,991
Aircraft Acquisition	3,155	-
Philippines	1,325	1,325
Building Fund	220	-
Africa Expedition	200	200
	<u>\$ 1,706,946</u>	<u>\$ 1,377,646</u>

#### Note 8 – Risks and Uncertainties Related to Foreign Operations

The Organization's foreign operations are subject to various risks, including: compliance with foreign laws, economic or political uncertainties, oversight of the Organization's activities, and oversight of Organization representatives.

#### Note 9 – Concentration

Approximately 35% of contributions during the year ended December 31, 2015 were from five donors.

#### Note 10 - Subsequent Events

Subsequent to December 31, 2015, RAM received notification that it is the residuary beneficiary of an estate. The donor died prior to December 31, 2015. The bequest is subject to the claims of creditors but is expected to be in the

form of property valued at approximately \$500,000.

Management has evaluated subsequent events through October 4, 2016, the date the financial statements were available to be issued.