

ZERO - THE END OF PROSTATE CANCER

AUDITED FINANCIAL STATEMENTS

December 31, 2012 and 2011

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December 31, 2012 and 2011

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Zero - The End of Prostate Cancer
Alexandria, VA

Report on the Financial Statements

We have audited the accompanying financial statements of Zero - The End of Prostate Cancer (ZERO), which comprise the statements of financial position as of December 31, 2012 and 2011, 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 audits 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.

Zero - The End of Prostate Cancer
Independent Auditor's Report

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ZERO as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Drolet + Associates, P.L.L.C.

Washington, DC
September 16, 2013

ZERO - THE END OF PROSTATE CANCER
STATEMENTS OF FINANCIAL POSITION
December 31, 2012 and 2011

	2012	2011
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 251,921	\$ 242,138
Contributions receivable	95,801	85,574
Employee receivable and other receivable	5,790	2,572
Prepaid expenses	51,190	52,075
Inventory	-0-	8,441
TOTAL CURRENT ASSETS	404,702	390,800
INVESTMENTS	752,617	706,676
PROPERTY AND EQUIPMENT, net	261,069	152,212
CONTRIBUTION RECEIVABLE, net of current portion and discount	59,364	113,478
SECURITY DEPOSIT	6,378	6,378
TOTAL ASSETS	\$ 1,484,130	\$ 1,369,544
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 521,669	\$ 297,307
Line of credit payable	450,000	300,000
Deferred revenue	17,369	10,844
TOTAL CURRENT LIABILITIES	989,038	608,151
DEFERRED RENT	28,065	22,564
TOTAL LIABILITIES	1,017,103	630,715
NET ASSETS		
Unrestricted	273,549	524,780
Temporarily restricted	193,478	214,049
TOTAL NET ASSETS	467,027	738,829
TOTAL LIABILITIES AND NET ASSETS	\$ 1,484,130	\$ 1,369,544

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

ZERO - THE END OF PROSTATE CANCER
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Total
REVENUES			
Grants and contributions	\$ 3,332,574	\$ 80,000	\$ 3,412,574
In-kind contributions	939,875		939,875
Special events	215,482		215,482
Interest and dividends	14,056		14,056
Gain on investments	41,285		41,285
Merchandise sales	1,427		1,427
Net assets released from restrictions	100,571	(100,571)	-0-
TOTAL REVENUES	4,645,270	(20,571)	4,624,699
EXPENSES			
Programs	4,114,625		4,114,625
Special events expense	173,458		173,458
Management and general	286,180		286,180
Fundraising	322,238		322,238
TOTAL EXPENSES	4,896,501		4,896,501
CHANGE IN NET ASSETS	(251,231)	(20,571)	(271,802)
NET ASSETS, BEGINNING OF YEAR	524,780	214,049	738,829
NET ASSETS, END OF YEAR	\$ 273,549	\$ 193,478	\$ 467,027

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

ZERO - THE END OF PROSTATE CANCER
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2011

	Unrestricted	Temporarily Restricted	Total
REVENUES			
Grants and contributions:	\$ 3,749,169	\$ 37,523	\$ 3,786,692
Special events	184,632		184,632
In-kind contributions	569,275		569,275
Interest and dividends	7,568		7,568
Loss on investments	(5,983)		(5,983)
Merchandise sales	4,914		4,914
Other	6,630		6,630
Net assets released from restrictions	118,548	(118,548)	-0-
TOTAL REVENUES	4,634,753	(81,025)	4,553,728
EXPENSES			
Programs	3,846,458		3,846,458
Special events expense	94,474		94,474
Management and general	144,955		144,955
Fundraising	267,914		267,914
TOTAL EXPENSES	4,353,801		4,353,801
CHANGE IN NET ASSETS	280,952	(81,025)	199,927
NET ASSETS, BEGINNING OF YEAR	243,828	295,074	538,902
NET ASSETS, END OF YEAR	\$ 524,780	\$ 214,049	\$ 738,829

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

ZERO - THE END OF PROSTATE CANCER
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2012

	Programs	Special Events	Management & General	Fundraising	Total
Salaries	\$ 877,280		\$ 114,844	\$ 172,958	\$ 1,165,082
Payroll taxes	56,505		6,797	10,829	74,131
Benefits	82,380		4,767	7,998	95,145
Consultants	345,121		36,500		381,621
Advertising and public relations	1,235,311		725	7,225	1,243,261
Special events expense		\$ 173,458			173,458
Printing and publications	5,857		99	148	6,104
Postage	14,444		1,860	2,796	19,100
Travel	384,973		42,741	64,243	491,957
Occupancy	70,458		9,075	13,641	93,174
Equipment and facilities rental	132,108		2,413	3,627	138,148
Licenses and permits	20,116		442	664	21,222
Entry fees	68,111				68,111
Insurance	38,602		1,087	1,633	41,322
Telephone service	23,369		3,010	4,524	30,903
Repairs and maintenance	5,031		628	943	6,602
Vehicle operating expense	25,586				25,586
Depreciation	65,369		3,511	5,276	74,156
Dues and state registration	33,821		400	6,610	40,831
Office supplies	4,100		528	794	5,422
Professional fees	92,218		47,630	4,830	144,678
Bank and credit card fees	15,820		2,038	3,063	20,921
Interest expense	7,162		922	1,386	9,470
Medical supplies	9,495				9,495
Medical testing expense	18,031				18,031
Website & database management	135,165		5,524	8,303	148,992
Miscellaneous	3,848		639	747	5,234
Donations	344,344				344,344
TOTAL	\$ 4,114,625	\$ 173,458	\$ 286,180	\$ 322,238	\$ 4,896,501

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

ZERO - THE END OF PROSTATE CANCER
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2011

	Programs	Special Events	Management & General	Fundraising	Total
Salaries	\$ 912,555		\$ 69,352	\$ 87,422	\$ 1,069,329
Payroll taxes	61,791		4,696	5,919	72,406
Benefits	73,832		5,607	7,070	86,509
Consultants	453,722			20,000	473,722
Temporaries and interns	1,580				1,580
Advertising and public relations	812,489		5,762	25,676	843,927
Special events expense		\$ 94,474			94,474
Printing and publications	12,344		269	302	12,915
Postage	35,091		3,885	20,895	59,871
Travel	322,376		20,949	26,407	369,732
Occupancy	80,464		6,115	7,708	94,287
Equipment and facilities rental	92,839		1,495	22,013	116,347
Licenses and permits	6,633				6,633
Entry fees	29,454				29,454
Insurance	35,866		633	798	37,297
Telephone service	24,698		1,876	2,367	28,941
Repairs and maintenance	4,435		337	425	5,197
Vehicle operating expense	90,106				90,106
Depreciation	49,413		3,755	4,734	57,902
Dues and state registration	34,727		2,639	7,599	44,965
Office supplies	8,060		613	772	9,445
Professional fees	93,771		4,710	12,937	111,418
Bank and credit card fees	11,823		899	1,133	13,855
Interest expense	750		57	72	879
Medical supplies	16,193				16,193
Medical testing expense	31,293				31,293
Website & database management	125,575		9,544	12,030	147,149
Miscellaneous	48,423		789	409	49,621
Cost of goods sold	12,795		973	1,226	14,994
Donations	363,360				363,360
TOTAL	\$ 3,846,458	\$ 94,474	\$ 144,955	\$ 267,914	\$ 4,353,801

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

ZERO - THE END OF PROSTATE CANCER
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	\$ (271,802)	\$ 199,927
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	74,156	57,902
(Gain) loss on investments	(41,285)	5,983
Decrease in contributions receivable	43,887	55,522
(Increase) decrease in employee receivable and other receivables	(3,218)	1,028
Decrease (increase) in prepaid expenses	885	(41,613)
Decrease in inventory	8,441	7,862
Increase in deposits	-0-	(34)
Increase in accounts payable and accrued expenses	224,362	180,756
Increase (decrease) in deferred revenue	6,525	(32,246)
Increase in deferred rent	5,501	7,873
NET CASH PROVIDED BY OPERATING ACTIVITIES	47,452	442,960
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(183,013)	(22,876)
Purchase of investments	(139,108)	(712,659)
Proceeds from sales of investments	134,452	-0-
NET CASH USED IN INVESTING ACTIVITIES	(187,669)	(735,535)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings on line of credit	250,000	300,000
Principal payments on line of credit	(100,000)	-0-
NET CASH PROVIDED BY FINANCING ACTIVITIES	150,000	300,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,783	7,425
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	242,138	234,713
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 251,921	\$ 242,138
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 9,470	\$ 879

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

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Zero - The End of Prostate Cancer (ZERO) formerly known as Zero - The Project to End Prostate Cancer and the National Prostate Cancer Coalition Fund (NPCCF). NPCCF was formerly known as the National Prostate Cancer Coalition, Inc. (NPCCI). NPCCI was originally incorporated under the laws of the state of Florida on September 6, 1996, and NPCCF was incorporated under the laws of the District of Columbia on July 7, 1998. On December 21, 1998, NPCCF merged with NPCCI. On May 8, 2008, the Board of Directors voted to change the organization's name to ZERO - The Project to End Prostate Cancer. On June 6, 2012, the Board of Directors voted to change the organization's name to ZERO - The End of Prostate Cancer.

ZERO's primary activities and program include increasing public awareness of prostate cancer and serving as an advocate for action, advances and change regarding the disease.

Program Description

ZERO's name speaks to its mission. Zero PSA. Zero prostate cancer cases. Zero prostate cancer deaths. Zero tolerance for prostate cancer. All of which leads to ZERO's goal: Generation Zero, the first generation of men free from prostate cancer. ZERO provides comprehensive treatment information to patients and education to those at-risk through ZERO's website (www.zerocancer.org) and free electronic newsletter, Aware. The Drive Against Prostate Cancer mobile medical testing program provides free prostate cancer testing across the U.S. while the Dash for Dad/Great Prostate Cancer Challenge race series, Prostate Cancer Awareness Month, the DEPEND Campaign to End Prostate Cancer, Know Your Score: Fight Prostate Cancer and the Summit to End Prostate Cancer raises awareness and engages communities in the quest to achieve Generation Zero.

Sources of Revenue

Contributions and grants are primarily received from individuals, corporations, foundations and special events.

Cash and Cash Equivalents

Cash equivalents consist of funds invested in interest and non-interest bearing checking and operating accounts.

Contributions Receivable

Contributions are recognized when the donor makes an unconditional promise to give. Management expects all contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. It is management's policy to charge off uncollectible receivables when management determines the receivable will not be collected.

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Tax Status ZERO is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). ZERO is, however, subject to income taxes on any unrelated business income. In addition, the Internal Revenue Service has determined that ZERO is not a private foundation within the meaning of Section 509(a) of the Code.

ZERO requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. ZERO does not believe its financial statements include, or reflect, any uncertain tax positions.

ZERO's Form 990, *Return of Organization Exempt from Income Tax*, is open to examination by the taxing authorities, generally for three years after it is filed.

Inventory As of December 31, 2011, inventory consisted of ZERO t-shirts, hats, water bottles and pins and was stated at cost.

Property and Equipment ZERO capitalizes all property and equipment acquisitions of \$1,000 and above. Property and equipment are carried at cost, if purchased or fair value at date of donation, if contributed. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred.

Investments Investments consist of money market funds, fixed income mutual funds, foreign exchange funds and equity securities which are recorded at fair market value.

Contributions ZERO reports gifts of cash and other assets as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets. Restricted contributions for which the restrictions are met in the year received are considered unrestricted for financial statement purposes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated Services and Supplies Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ZERO.

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Advertising Expenses

ZERO expenses advertising costs as incurred. ZERO spent approximately \$842,000 and \$424,000 on advertising during the years ended December 31, 2012 and 2011, respectively, and received approximately \$345,000 and \$289,000 in donated outreach services during the years ended December 31, 2012 and 2011, respectively. The donated services are included in advertising expense.

Functional Allocation of Expenses

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services

Allocation of Joint Costs

For the year ended December 31, 2012, ZERO incurred joint costs of approximately \$115,526 for program events activities that included fundraising appeals. Of those costs, approximately \$103,974 was allocated to program expense, \$5,776 was allocated to fundraising expense and \$5,776 was allocated to management and general.

For the year ended December 31, 2011, ZERO incurred joint costs of approximately \$192,453 for program events activities that included fundraising appeals. Of those costs, approximately \$169,207 was allocated to program expense, \$12,348 was allocated to fundraising expense and \$10,898 was allocated to management and general.

Estimates

The preparation of financial statements in conformity 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 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.

Reclassifications

Certain 2011 amounts have been reclassified for comparative purposes.

NOTE B - CONCENTRATION

ZERO maintains cash balances at financial institutions in the Washington DC metropolitan area. The accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC). At times, deposits exceed federally insured limits. Management believes the risk in these situations to be minimal.

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE B - CONCENTRATION (Continued)

As of December 31, 2012, approximately \$146,000 or 94% of contributions receivable was due from two contributors. As of December 31, 2011, approximately \$176,000 or 89% of contributions receivable was due from one contributor.

As of December 31, 2011, approximately \$1,000,000 or 22% of contributions came from one donor.

NOTE C - CONTRIBUTIONS RECEIVABLE

ZERO has recorded contributions receivable at the present value of estimated future cash flows as of December 31, 2012 and 2011. Contributions receivable due in more than one year are discounted at a rate 2%.

ZERO had contributions receivable as follows as of December 31, 2012 and 2011:

Description	2012	2011
Receivable in less than one year	\$ 95,801	\$ 85,574
Receivable in one to five years	63,048	126,096
Total contributions receivable	158,849	211,670
Less: discount to net present value	(3,684)	(12,618)
Net contributions receivable	\$ 155,165	\$ 199,052

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

As of December 31, 2012 and 2011, temporarily restricted net assets consisted of the following:

Description	2012	2011
Time restriction	\$ 113,478	\$ 199,049
Purpose restriction	80,000	15,000
Total temporarily restricted net assets	\$ 193,478	\$ 214,049

For the years ended December 31, 2012 and 2011, net assets were released from restrictions as follows:

Description	2012	2011
Time restriction	\$ 85,571	\$ 78,048
Purpose restriction	15,000	40,500
Total net assets released from restrictions	\$ 100,571	\$ 118,548

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE E - OPERATING LEASES

ZERO entered into an operating lease for office space which commenced on August 5, 2009 and expires August 4, 2019. The lease includes an annual escalation clause as defined in the lease agreement. ZERO is responsible for its prorata share of real estate taxes and operating expenses.

On September 1, 2009, ZERO entered into an operating lease agreement for office equipment. The lease term was for three years and expired August 31, 2012. Upon termination, ZERO entered into a new lease agreement for office equipment which expires October 31, 2015.

The following is a schedule of future minimum annual lease payments:

<i>Year ending December 31,</i>	Amount
2013	\$ 86,835
2014	89,349
2015	91,448
2016	91,658
2017	94,405
Thereafter	156,013
Total future minimum lease payments	\$ 609,708

Rent expense was approximately \$93,000 and \$94,000 for the years ended December 31, 2012 and 2011, respectively.

NOTE F - RETIREMENT PLAN

In 2005, ZERO adopted a section 403(b) Retirement Plan (the Plan). All regular full-time and part-time employees who work seventeen-and-one-half (17.5) hours or more weekly are eligible to participate in the Plan through salary deferrals. Participation in the Plan begins on the first day of the month following ninety (90) days after the date of hire. ZERO does not contribute to the Plan.

NOTE G - LINE OF CREDIT

ZERO has a secured line of credit (LOC) with a bank. Under the terms of the agreement, ZERO can draw up to a maximum amount of \$500,000 and ZERO may repay the LOC with interest at either the adjusted Libor rate plus 2.10% or a fixed rate per annum equal to the offered rate applicable to such LOC. The bank has a security interest in and a lien upon all marketable securities maintained by ZERO at the bank. The LOC automatically renews each year. As of December 31, 2012 and 2011, the outstanding balance on the LOC was \$450,000 and \$300,000, respectively. Subsequent to year-end, the LOC was paid in full.

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE H - CONSULTANTS

For the years ended December 31, 2012 and 2011, consultant expenses are allocated as follows:

Description	2012	2011
Consultants - Drive Against Prostate Cancer	\$ 47,240	\$ 65,785
Consultants - Race Programs	12,455	5,000
Consultants - ZPCC	195,381	-0-
Consultants - Communications	90,045	41,200
Total Programs	345,121	111,985
Fundraising	-0-	20,000
Management & general	36,500	-0-
Total Consultants	\$ 381,621	\$ 131,985

NOTE I - DONATED SERVICES AND SUPPLIES

For the years ended December 31, 2012 and 2011, donated services and supplies consisted of the following:

Description	2012	2011
Medical services	\$ 35,380	\$ 51,201
Legal services	14,837	7,680
Advertising	365,511	288,795
Gifts and giveaways	25,905	22,500
Race programs and special events	498,242	136,829
Vehicle supplies and maintenance	-0-	62,270
Total	\$ 939,875	\$ 569,275

NOTE J - FAIR VALUE MEASUREMENTS

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets (examples include equity securities);

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE J - FAIR VALUE MEASUREMENTS (Continued)

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate or municipal bonds);

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value require significant management judgment (examples include certain private equity securities and split interest agreements).

The following presents ZERO's assets measured at fair value as of December 31, 2012 and 2011:

December 31, 2012	Fair Value	Level 1
Cash and money market funds	\$ 35,375	\$ 35,375
US fixed income - bonds	203,630	203,630
US fixed income - mutual funds	145,330	145,330
Foreign exchange	16,464	16,464
Equities	270,901	270,901
Mutual funds	80,917	80,917
Total investments	\$ 752,617	\$ 752,617
<hr/>		
December 31, 2011	Fair Value	Level 1
Cash and money market funds	\$ 49,743	\$ 49,743
US fixed income - bonds	200,036	200,036
US fixed income - mutual funds	178,622	178,622
Foreign exchange	22,556	22,556
Equities	216,612	216,612
Mutual funds	39,107	39,107
Total investments	\$ 706,676	\$ 706,676

ZERO - THE END OF PROSTATE CANCER
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2012 and 2011

NOTE K - PROPERTY AND EQUIPMENT

As of December 31, 2012 and 2011, property and equipment consisted of the following:

Description	2012	2011
Property and equipment	\$ 126,380	\$ 120,203
Screening vehicles	500,388	398,859
Website	49,850	31,350
Database	56,807	-0-
Less accumulated depreciation	(472,356)	(398,200)
Property and equipment, net	\$ 261,069	\$ 152,212

NOTE L - SUBSEQUENT EVENTS

Subsequent events were evaluated through September 16, 2013, which is the date the financial statements were available to be issued.