

**CANCER ALLIANCE OF HELP AND
HOPE, INC.**

Financial Statements

***For the year ended
June 30, 2021***

HAFER

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
CANCER ALLIANCE OF HELP AND HOPE, Inc.

We have audited the accompanying financial statements of CANCER ALLIANCE OF HELP AND HOPE, Inc. ("the Organization"), which comprise the statement of position as of June 30, 2021, and the related statement of activities and changes in net assets, functional expenses and cash flows for the year 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

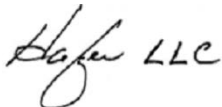
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CANCER ALLIANCE OF HELP AND HOPE, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Palm Beach, Florida
September 30, 2021

CANCER ALLIANCE OF HELP AND HOPE, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2021

Assets

Cash and cash equivalents	\$ 1,019,510
Certificates of deposit (Notes 2 and 4)	402,007
Prepaid expenses	68,857
Property and equipment, net (Note 5)	4,579
Other assets	<u>8,575</u>

Total assets \$ 1,503,528

Liabilities and net assets

Accounts payable and accrued expenses	\$ 26,472
Deferred revenues	<u>125,000</u>

Total liabilities 151,472

Net assets

Net assets without donor restrictions:	
Board designated (Note 9)	67,712
Undesignated	<u>1,284,344</u>

Total net assets without donor restrictions 1,352,056

Net assets with donor restrictions -

Total net assets 1,352,056

Total liabilities and net assets \$ 1,503,528

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

CANCER ALLIANCE OF HELP AND HOPE, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the year ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Funds</u>
Operating revenue and other support			
Contributions and support	\$ 561,034	\$ -	\$ 561,034
Contributions in-kind (Note 2)	11,160	-	11,160
Special events	856,383	-	856,383
Interest income	4,809	-	4,809
Other income	46,841	-	46,841
Net assets released from restriction	49,000	(49,000)	-
	<u>1,529,227</u>	<u>(49,000)</u>	<u>1,480,227</u>
Total operating revenue and other support			
Operating expenses			
Program services	644,258	-	644,258
Special events	384,094	-	384,094
General and administrative	79,698	-	79,698
	<u>1,108,050</u>	<u>-</u>	<u>1,108,050</u>
Total operating expenses			
Change in net assets	421,177	(49,000)	372,177
Net assets, beginning of year	930,879	49,000	979,879
Net assets, end of year	<u>\$ 1,352,056</u>	<u>\$ -</u>	<u>\$ 1,352,056</u>

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

CANCER ALLIANCE OF HELP AND HOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2021

Description	Program Services	Special Events	General and Administrative	Total Operating Expenses
Advertising	\$ 13,525	\$ 4,508	\$ 4,508	\$ 22,541
Depreciation expense	-	-	3,104	3,104
Events cost	-	310,082	-	310,082
Insurance	1,487	496	496	2,479
Occupancy	23,058	7,686	7,686	38,430
Office expense	10,951	2,948	2,948	16,847
Other costs	6,624	2,207	2,207	11,038
Outside services	14,860	-	14,860	29,720
Payroll and payroll taxes	129,019	53,758	32,255	215,032
Professional fees	9,225	-	9,225	18,450
Specific assistance	428,282	-	-	428,282
Travel	4,522	1,507	1,507	7,536
Utilities	2,705	902	902	4,509
	<u>\$ 644,258</u>	<u>\$ 384,094</u>	<u>\$ 79,698</u>	<u>\$ 1,108,050</u>

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

CANCER ALLIANCE OF HELP AND HOPE, INC.
STATEMENT OF CASH FLOWS
For the year ended June 30, 2021

Cash flows from operating activities	
Change in net assets	\$ 372,177
<u>Adjustments to reconcile change in net assets to net cash provided by operating activities</u>	
Depreciation expense	3,104
<u>Changes in assets and liabilities:</u>	
Accounts receivable	500
Prepaid expenses	(12,703)
Other assets	(1,675)
Accounts payable and accrued expenses	3,871
Deferred revenues	57,253
	<hr/>
Net cash provided by operating activities	422,527
Cash flows from investing activities	
Purchases of certificate of deposit	(31,274)
Cash flows from financing activities	
Principal repayments on Paycheck Protection Program loan	(43,840)
	<hr/>
Net increase in cash and cash equivalents	347,413
Cash and cash equivalents, beginning	672,097
	<hr/>
Cash and cash equivalents, ending	<u><u>\$ 1,019,510</u></u>
Supplemental disclosures of cash flow information:	
Non-cash financing activities:	
Paycheck Protection Program loan principal forgiven	<u><u>\$ 43,840</u></u>

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

CANCER ALLIANCE OF HELP AND HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: Organization

CANCER ALLIANCE OF HELP AND HOPE, Inc. (“the Organization”) is a not-for-profit corporation founded on June 27, 2003. The Organization was created to provide financial assistance to cancer patients in need by paying a portion of their non-medical bills, supplementing basic needs, and providing support and information resources. The Organization is located in Palm Beach, Florida.

NOTE 2: Summary of significant accounting policies

Basis of accounting and presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles for not-for-profit organizations whereby revenues and gains are recorded when earned and expenses and losses are recorded when incurred. Resources are classified for accounting and reporting purposes into two categories of net assets – without donor restrictions and with donor restrictions – according to externally (donor) imposed restrictions.

Net assets without donor restrictions include all resources that are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the Organization to utilize funds in furtherance of its mission. Revenues received, and expenses incurred in conducting the programs and services of the Organization are presented in the financial statements as without donor restrictions operating funds that increase or decrease net assets without donor restrictions.

Net assets with donor restrictions comprise of both temporarily and permanently restricted donations. Temporarily restricted donations carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because of the passage of time or because the Organization has fulfilled the restrictions. Permanently restricted donations are those that are subject to donor-imposed restrictions that will never lapse, thus requiring the assets to be maintained permanently as endowment funds.

Net realized and unrealized appreciation on endowment funds are classified in the financial statements as part of net assets without donor restrictions or net assets with donor restrictions based on donors’ restrictions and interpretations of Florida law.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include all monies in banks including money market funds. Cash equivalents include highly liquid securities, including certificates of deposit, with original maturities of 90 days or less.

Certificate of deposit

Certificate of deposit consists of a certificate with an original maturity of more than 90 days. The certificate is carried at cost plus any interest earned and reinvested. The Organization, at least annually, assesses for any other-than-temporary impairment, and as of the date of these financial statements, the Organization does not believe any impairment exists. Also see Note 4.

CANCER ALLIANCE OF HELP AND HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2: Summary of significant accounting policies (continued)

Short-term financial instruments

The carrying amount of the Organization's financial instruments, which include cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable and accrued expenses, and other assets and liabilities, approximates their fair values due to their short-term maturities.

Property and equipment

Property and equipment are recorded at cost. Capitalized property and equipment are depreciated over the estimated useful lives of the assets using the straight-line method of depreciation.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period when the donor's commitment received. All contributions are considered to be available for without donor restrictions use unless specifically restricted by the donor. When applicable, amounts received that are restricted for future periods (time restrictions) or are restricted by the donor for specific purposes (purpose restriction) are reported as with donor restricted support that increases that net asset class.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, with donor restrictions net assets are reclassified to without donor restrictions net assets and are reported in the statement of activities as net assets released from restriction. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as without donor restrictions.

From time to time, the Organization is informed of intentions to give by prospective donors. Such expressions of intent are revocable and unenforceable. The ultimate value of these expressions has not been established, and they are not recognized in the accompanying financial statements.

Advertising

The Organization expenses the cost of advertising as incurred. Advertising expense was \$22,541 for the year ended June 30, 2021.

Donated services

For the year ended June 30, 2021, the Organization received contributed goods and services for office space which totaled \$11,160. This amount is reflected as in-kind contributions and expenses in the accompanying financial statements based upon estimated fair values assigned to them.

Allocation of functional expenses

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

Compensated absences

Employees of the Organization are entitled to paid vacations, sick days, and other time off depending on job classification, length of service, and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absences when paid to employees

CANCER ALLIANCE OF HELP AND HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2: Summary of significant accounting policies (continued)

Income taxes

The Organization is generally exempt from income taxes under Internal Revenue Code Section 501(c)(3). Therefore, the Organization has made no provision for federal or state income taxes in the accompanying financial statements. Generally, the Organization's federal income tax returns for 2018 - 2020 remain subject to possible examination by the Internal Revenue Service.

Recently issued accounting pronouncements, not yet adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The standard will affect all entities that lease assets and will require lessees to recognize a lease liability and a right-of-use asset for all leases (except short-term leases that have a duration of less than one year) as of the date on which the lessor makes the underlying asset available to the lessee. For non-public entities, such as the Organization, the new standard is effective for annual periods beginning after December 15, 2021. While the Organization expects the adoption of this standard to result in an increase to its reported assets and liabilities, the Organization has not yet determined the full impact that the adoption of this standard will have on its financial statements and related disclosures.

NOTE 3: Liquidity and availability of financial assets

The Organization financial assets available to meet cash needs for general expenditure within one year at June 30, 2021 amounted to \$1,338,902. As of June 30, 2021, \$151,472 was not available for general use because of contractual or donor-imposed restrictions within one year.

NOTE 4: Certificates of deposit

Certificates of deposit at June 30, 2021 consist of the following:

Certificate of deposit, interest rate: 0.7%; original issuance date: April 10, 2021; maturity date: December 10, 2021	\$ 125,437
Certificate of deposit, interest rate: 1.15%; original issuance date: June 2, 2021; maturity date: June 2, 2022	126,446
Certificate of deposit, interest rate: 0.2%; original issuance date: September 7, 2021; maturity date: January 7, 2021	<u>150,124</u>
	<u>\$ 402,007</u>

NOTE 5: Property and equipment

A schedule of property, equipment, and accumulated depreciation was as follows at June 30, 2021:

Office equipment	\$ 7,111
Software	2,199
Automobile	<u>22,640</u>
	31,950
Less: accumulated depreciation	<u>(27,371)</u>
	<u>\$ 4,579</u>

For the year ended June 30, 2021, depreciation expense was \$3,104.

CANCER ALLIANCE OF HELP AND HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6: Concentration of credit risk

The Organization maintains its cash in bank at various financial institutions whereby deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation; balances may exceed this federally insured limit.

During the year ended June 30, 2021, the Organization received approximately 19% of its total support and revenue from two special events. Adverse conditions in its relationship with these special events could potentially affect the Organization's operations.

NOTE 7: Paycheck protection program loan

During 2020, the Organization entered into a loan agreement in the amount of \$43,840 under the Paycheck Protection Program authorized by the Coronavirus Aid, Relief, and Economic Security Act ("the Program"). The note bore a fixed interest rate of 1.00% per annum. No interest or principal was due during the first six months of the loan. As of June 30, 2021, the loan was forgiven in full.

NOTE 8: Leases

Effective, August 31, 2020, the Organization entered into a two-year lease, ending August 31, 2022, with 350 Realty Corp. for administrative office space. For the year ended June 30, 2021, office lease expense was \$38,430. The future lease payments are as follows:

The following is a schedule of the future minimum lease payment requirements:

For the year ending June 30:	
2022	\$ 39,000
2023	6,500
Total minimum lease payments	<u>\$ 45,500</u>

NOTE 9: Net assets without donor restrictions – board designated

On July 20, 2020, the Organization's Board of Directors approved the establishment of a Board designated endowment to support local cancer patients in need. The funds are invested and 4% of the balance will be given out each year. At June 30, 2021, the balance of the Board designated endowment was \$67,712.

NOTE 10: Subsequent events

Management has evaluated subsequent events through September 30, 2021, the date the financial statements were available to be issued.