

**Cancer Support Community Delaware, Inc.**

**Financial Statements**

**December 31, 2020 and 2019**

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ALBERO, KUPFERMAN & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND PROFESSIONAL SERVICES

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## **Independent Auditor's Report**

To the Board of Directors  
Cancer Support Community Delaware, Inc.  
Wilmington, Delaware

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Cancer Support Community Delaware, Inc. (a not – for - profit organization) which comprise the statement of financial position as of December 31, 2020, the related statements of activities, of functional expenses and of 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 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.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cancer Support Community Delaware, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited the Cancer Support Community Delaware, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 19, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

May 28, 2021  
Wilmington, Delaware

**Cancer Support Community Delaware, Inc.**

**Statements of Financial Position**

**December 31, 2020**

**Assets**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash, cash equivalents and restricted cash	\$ 198,541	\$ 150,728
Accounts receivable	12,752	17,813
Prepaid expenses	<u>5,336</u>	<u>7,069</u>
Total current assets	<u>216,629</u>	<u>175,610</u>
<b>PROPERTY AND EQUIPMENT</b>		
Net of accumulated depreciation	<u>1,474,681</u>	<u>1,516,372</u>
<b>OTHER ASSETS</b>		
Donated artwork	34,029	34,029
Investment in Delaware Community Foundation	162,167	145,214
Other investments	<u>656,654</u>	<u>593,189</u>
Total other assets	<u>852,850</u>	<u>772,432</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>2,544,160</u></b>	<b>\$ <u>2,464,414</u></b>

**Liabilities and Net Assets**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 9,599	\$ 8,814
Accrued payroll	571	576
Deferred income	22,500	73,850
Note payable - Payroll Protection Program	81,477	-
Patient assistance funds payable	<u>860</u>	<u>415</u>
Total current liabilities	<u>115,007</u>	<u>83,655</u>
<b>NET ASSETS</b>		
Without donor restrictions	2,388,414	2,352,466
With donor restrictions	<u>40,739</u>	<u>28,293</u>
Total net assets	<u>2,429,153</u>	<u>2,380,759</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>2,544,160</u></b>	<b>\$ <u>2,464,414</u></b>

See accompanying notes to financial statements.

**Cancer Support Community Delaware, Inc.**

**Statements of Activities**

**For the Year Ended December 31, 2020**

**with Summarized Comparative Information for the Year Ended December 31, 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restricted	Total	Summarized Information
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions and grants	\$ 217,702	\$ 48,930	\$ 266,632	\$ 244,613
Government grants	139,564	5,500	145,064	137,993
In-kind donations	27,779	-	27,779	21,289
Investment income	17,842	-	17,842	18,706
Gains on investments	69,382	-	69,382	93,682
Program revenue	33,430	-	33,430	35,535
Special events revenue - net	172,881	-	172,881	211,702
Net assets released from restrictions	41,984	(41,984)	-	-
Total revenues and other support	720,564	12,446	733,010	763,520
<b>EXPENSES</b>				
Programs	549,563	-	549,563	617,590
Management and general	48,308	-	48,308	51,897
Fundraising	86,745	-	86,745	93,323
Total expenses	684,616	-	684,616	762,810
<b>CHANGE IN NET ASSETS</b>	35,948	12,446	48,394	710
<b>NET ASSETS - BEGINNING OF YEAR</b>	2,352,466	28,293	2,380,759	2,380,049
<b>NET ASSETS - END OF YEAR</b>	\$ 2,388,414	\$ 40,739	\$ 2,429,153	\$ 2,380,759

See accompanying notes to financial statements.

**Cancer Support Community Delaware, Inc.**

**Statements of Functional Expenses**

**For the Year Ended December 31, 2020 with**

**Summarized Information for the Year Ended December 31, 2019**

	2020				2019
	Programs	Management & General	Fundraising	Total	Summarized Information
Payroll and related expenses					
Payroll expenses	\$ 265,147	\$ 24,421	\$ 59,309	\$ 348,877	\$ 388,136
Employee benefits	6,051	557	1,353	7,961	12,926
Total payroll and related expenses	271,198	24,978	60,662	356,838	401,062
Bank charges	1,227	-	3,680	4,907	5,825
Computer expenses	12,891	1,187	2,883	16,961	16,945
Conferences and meetings	3,923	100	-	4,023	2,888
Depreciation	38,992	3,986	1,329	44,307	46,752
Dues and subscriptions	13,390	-	1,488	14,878	14,336
Facilities and grounds	54,363	4,719	1,573	60,655	63,445
Insurance	9,893	1,012	337	11,242	11,698
Investment expenses	-	6,395	-	6,395	6,223
Office supplies	3,464	319	774	4,557	8,952
Postage	1,132	104	253	1,489	3,076
Printing	4,150	382	928	5,460	5,030
Professional fees	46,622	4,294	10,429	61,345	47,424
Program supplies	76,587	30	305	76,922	112,612
Program travel	34	-	-	34	3,598
Telephone	8,705	802	1,947	11,454	11,157
Website and internet	2,992	-	157	3,149	1,787
<b>TOTAL EXPENSES</b>	<b>\$ 549,563</b>	<b>\$ 48,308</b>	<b>\$ 86,745</b>	<b>\$ 684,616</b>	<b>\$ 762,810</b>

See accompanying notes to financial statements.

**Cancer Support Community Delaware, Inc.**

**Statements of Cash Flows**

**For the Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 48,394	\$ 710
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	44,307	46,752
Realized (gain) loss on sale of investments	(111,031)	8,673
Unrealized loss (gain) on investments	41,649	(102,355)
Changes in current assets and liabilities:		
Decrease (increase) in accounts receivable	5,061	(5,076)
Decrease in prepaid expenses	1,733	471
Increase (decrease) increase in accounts payable	785	(5,795)
(Decrease) increase in accrued payroll	(5)	107
(Decrease) increase in deferred income	(51,350)	58,850
Increase (decrease) patient assistance funds	445	(7,813)
Net cash used in operating activities	<u>(20,012)</u>	<u>(5,476)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(2,616)	-
Transfer from investments	2,000	25,000
Proceeds from the sale of investments	591,290	47,777
Purchase of investments	<u>(604,326)</u>	<u>(59,985)</u>
Net cash (used in) provided by investing activities	<u>(13,652)</u>	<u>12,792</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowing of note payable - Payroll Protection Program	<u>81,477</u>	<u>-</u>
Net cash provided by financing activities	<u>81,477</u>	<u>-</u>
<b>NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	47,813	7,316
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR</b>	<u>150,728</u>	<u>143,412</u>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR</b>	<u>\$ 198,541</u>	<u>\$ 150,728</u>
 <b>SUPPLEMENTAL DISCLOSURE OF NON-CASH FLOW INFORMATION</b>		
Donated supplies and services	<u>\$ 27,779</u>	<u>\$ 21,289</u>

See accompanying notes to financial statements.



# **Cancer Support Community Delaware, Inc.**

## **Notes to Financial Statements**

### **Note A - Organization and Summary of Significant Accounting Policies**

#### **1. Purpose of the Organization**

The Cancer Support Community Delaware, Inc. (the Organization) is leading the way in empowering people affected by cancer. Servicing all three counties of Delaware, it is dedicated to helping people with cancer and their loved ones by providing professionally led programs of emotional support, education and hope as an integral part of conventional medical treatment. All programs are offered free of charge. The Organization's major source of revenue are grants, contributions from other organizations and individuals, and special event fundraising activities.

#### **2. Basis of Accounting**

The financial statements of the Organization are prepared on the accrual basis of accounting. In accordance with the accrual basis of accounting, revenue is recognized when earned and expenditures are recognized when incurred.

#### **3. Financial Statement Presentation**

In accordance with accounting principles generally accepted in the United States of America, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

#### **4. Cash and Cash Equivalents**

Cash and cash equivalents include checking accounts, short-term savings and petty cash. The Organization considers all unrestricted highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Cash maintained in the brokerage account is intended for long-term investments and is included in the value of the other investments.

#### **5. Accounts Receivables and Allowance for Doubtful Accounts**

Accounts receivable consist of grants receivables at the end of the year that arise in the normal course of business. The Organization has determined that all grants receivable are fully collectible.

# Cancer Support Community Delaware, Inc.

## Notes to Financial Statements

### Note A - Organization and Summary of Significant Accounting Policies (Continued)

#### 6. Investments

Investments are managed by an independent advisor and consist of marketable securities which are valued at their fair market value in the statements of financial position. Unrealized gains and losses are included in the statements of activities. The Organization's investment in the Delaware Community Foundation (DCF) is recognized in accordance with generally accepted accounting standards. Earnings, fees, and unrealized gains and losses are included in the statements of activities.

#### 7. Property and Equipment

Property and equipment with an estimated useful life in excess of one year and a value in excess of \$1,000 are recorded at cost, if purchased, and at fair market value, if donated. Maintenance, repairs and minor renewals are charged directly to expense as incurred. Additions and betterments to property and equipment are capitalized. When assets are disposed of, the related cost and accumulated depreciation thereon are removed from the accounts, and any resulting gain or loss is included in the statements of activities.

Depreciation is computed using the straight-line method based upon the estimated useful lives of the related assets. The useful lives for purposes of computing depreciation are as follows:

Buildings and improvements	3 - 40 years
Land and improvements	5 - 15 years
Equipment and furniture	5 - 10 years
Software	3 - 5 years

#### 8. Works of Art

The Organization has elected to carry donated works of art at their historical fair market value and not to depreciate these assets. Each of the items are catalogued, preserved and cared for, and activities verifying their existence and assessing their condition are performed continually.

#### 9. Contributions, Grants, Restricted and Unrestricted Support and Revenue

##### a. Contributions and Grants:

Contributions and grants are transfers of cash or other assets to the Organization which support its cause and fund its operating activities. Upon adoption of ASU 2018-18, the Organization re-evaluated the existing agreements and evaluated new agreements and contributions received, to properly account for conditional and unconditional contributions.

**Cancer Support Community Delaware, Inc.**

**Notes to Financial Statements**

**Note A - Organization and Summary of Significant Accounting Policies (Continued)**

**9. Contributions, Grants, Restricted and Unrestricted Support and Revenue (Continued)**

a. Contributions and Grants (Continued):

1. Unconditional Contributions:

Unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Support that is restricted by the donor is reported as increase in net assets with donor restrictions, depending on the existence and/or nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

2. Conditional Contributions:

Conditional contributions received are either accounted for as a liability or unrecognized initially, until the conditions to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions. The Organization has no conditional contributions as of December 31, 2020.

3. Contributed Services:

Contributed services are not recognized as revenue unless services received create or enhance value of non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not contributed. The Organization received discounted accounting services in the amount of \$15,273 and \$10,531, respectively, for the years ended December 31, 2020 and 2019.

4. In-Kind Donations:

Donated goods and space are recognized at the fair market value at the time of the donation. The Organization receives various supplies and free use of office spaces in Middletown. The value of these donations is recorded as unrestricted in-kind donations. For the years ended December 31, 2020 and 2019, the amounts recognized were \$12,506 and \$10,758, respectively.

**Cancer Support Community Delaware, Inc.**

**Notes to Financial Statements**

**Note A - Organization and Summary of Significant Accounting Policies (Continued)**

**9. Contributions, Grants, Restricted and Unrestricted Support and Revenue (Continued)**

b. Exchange Transactions:

The Organization recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. In accordance with this guidance the Organization must identify the customer; identify the performance obligations; determine the transaction price; allocate the transaction price to the performance obligations; and recognize revenue when the performance obligations are satisfied. The Organization has identified the following revenue streams that are accounted for as exchange transactions.

1. Special Events Revenue:

The amount raised through special events provides significant resources to the Organization, which allows them to continue to fulfill their mission. The Organization's major source of fundraising is their annual golf tournament held every year in New Castle County.

The amounts raised at the special events are accounted for as both contribution and exchange transactions. The Organization engages in exchange contracts with supporters when it sells tickets for special events. For these types of transactions, the Organization records revenue at a point in time which is when the ticket is transferred to the customer, as the performance obligation is typically satisfied within a short period of time. The transaction price is allocated to the exchange transactions based on the consideration paid by the Organization for each of the resource provider's attendance at the event, and residual is accounted for as contribution. The performance obligation is satisfied upon the conclusion of the event (See note J).

2. Service Agreements:

The Organization has service agreements with the following two hospitals: Beebe Healthcare and Christiana Care Health Services. In both service agreements, Beebe and Christiana, agree to pay the Organization a specified amount to cover the costs of programs being held at their facilities to help support cancer patients in their hospitals. The revenue is recognized at the date the services are performed and based on the agreed upon transaction price, without any right to return or refunds.

## **Cancer Support Community Delaware, Inc.**

### **Notes to Financial Statements**

#### **Note A - Organization and Summary of Significant Accounting Policies (Continued)**

##### **10. Advertising Expense**

The Organization expenses the production costs of advertising when incurred. Advertising totaled \$564 and \$1,086 for the years ended December 31, 2020 and 2019, respectively.

##### **11. Employee Benefit Plan**

The Organization established a 403(b) plan to which eligible employees can voluntarily contribute. Contributions to the Plan by the Organization can be made at the discretion of the Board of Directors. The Organization has not made any contributions to the Plan since it was established.

##### **12. Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited on a reasonable basis that is consistently applied. The Organization allocates the following expenses: salaries, payroll taxes and employee benefits, office supplies, professional fees and telephone based on the time and effort each employee spends on a particular program or supporting function. Additional expenses, such as depreciation, facility maintenance and grounds expense are allocated based on square footage of the buildings.

##### **13. Comparative Financial Statements**

The financial statements include certain prior-year summarized comparative information which has been presented in total only and not by net asset class or functional expense. Accordingly, such information should be read in conjunction with the Organization's prior year financial statements from which the summarized information was derived.

##### **14. Income Taxes**

The Organization has elected to be classified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is not subject to state or federal income taxes. Therefore, no provision or liability for income tax is presented in these financial statements. The Organization accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. The Organization recognizes accrued interest and penalties associated with uncertain tax positions, if any, as a component of functional expenses. The Organization did not have any income tax uncertainties that were considered greater than remote.

# Cancer Support Community Delaware, Inc.

## Notes to Financial Statements

### Note A - Organization and Summary of Significant Accounting Policies (Continued)

#### 15. Fair Value Measurements

The Organization adopted the Fair Value Measurements standard for assets and liabilities measured at fair value on a recurring basis. The standard defines fair value and establishes a hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. The hierarchy consists of three broad levels:

- Level 1 Observable inputs such as quoted market prices in active markets for identical assets or liabilities.
- Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

#### 16. Management 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 public support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Note B - Cash and Cash Equivalents

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the statement of financial position that agree to the amounts shown in the statement of cash flows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 156,942	\$ 122,020
Cash equivalent restricted for purpose	<u>41,599</u>	<u>28,708</u>
Total cash, cash equivalents and restricted cash	<u>\$ 198,541</u>	<u>\$ 150,728</u>

**Cancer Support Community Delaware, Inc.**

**Notes to Financial Statements**

**Note C - Property and Equipment**

Property and equipment consisted of the following as of December 31,:

	<u>2020</u>	<u>2019</u>
Buildings and improvements	\$ 1,542,663	\$ 1,542,663
Land and improvements	567,432	567,432
Equipment and furniture	121,314	121,314
Computer equipment and software	<u>62,834</u>	<u>60,215</u>
Total	2,294,243	2,291,624
Less: accumulated depreciation	<u>819,562</u>	<u>775,252</u>
Property and equipment - net	<u>\$ 1,474,681</u>	<u>\$ 1,516,372</u>

Depreciation expense was \$44,307 and \$46,752 for the years ended December 31, 2020 and 2019, respectively.

**Note D - Beneficial Interest in Assets Held at Delaware Community Foundation**

The Organization recognizes its interest in the net assets of the Delaware Community Foundation (DCF) as a Level 3 investment, as defined above, in accordance with generally accepted accounting principles. The Organization's funds are a component fund of the DCF which are held and invested on a comingled, unitized basis; there are no securities independently held in the name of the Organization. The income earned and change in value is recorded with investment income on a quarterly basis. The fair value of the Investment in DCF is based on a percentage interest of those assets' fair value as represented by the DCF's management. The combined fair market value of the two funds held at DCF as of December 31, 2020 and 2019 was \$162,167 and \$145,214, respectively.

## Cancer Support Community Delaware, Inc.

### Notes to Financial Statements

#### Note E - Investments

Investments in marketable securities are measured at fair market value on a recurring basis. Investments are managed by an independent advisor in accordance with the Organization's investment policy. The following Level 1 investments were held as of December 31,:

	<u>2020</u>	<u>2019</u>
Money market funds	\$ 34,962	\$ 42,196
Exchange traded funds	307,329	353,069
Fixed income	163,727	197,924
Mutual funds	<u>150,636</u>	<u>-</u>
Total	<u>\$ 656,654</u>	<u>\$ 593,189</u>

Investment income and its classification in the statements of activities is as follows for the years ended December 31,:

	<u>2020</u>	<u>2019</u>
Investment income		
Interest income - banks	\$ 389	\$ 275
Dividends and income earned	<u>17,453</u>	<u>18,431</u>
	<u>\$ 17,842</u>	<u>\$ 18,706</u>
Gain on investments		
Realized gains (losses)	\$ 111,031	\$ (8,673)
Unrealized (losses) gains	<u>(41,649)</u>	<u>102,355</u>
	<u>\$ 69,382</u>	<u>\$ 93,682</u>
Investment advisory fees	<u>\$ 6,395</u>	<u>\$ 6,223</u>

Investment income reflects the activity of both the brokerage account, classified as Level 1 and the funds held by the Delaware Community Foundation, classified as Level 3.



## Cancer Support Community Delaware, Inc.

### Notes to Financial Statements

#### Note F - Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. The amounts are as follows at December 31,:

	<u>2020</u>	<u>2019</u>
Financial assets at year end:		
Cash, cash equivalents and restricted cash	\$ 198,541	\$ 150,728
Donations receivable	12,752	17,813
Investments and other investments	818,821	738,403
Total financial assets	<u>1,030,114</u>	<u>906,944</u>
Less amounts not available to be used within one year:		
Cash restricted for patience assistance program	860	415
Net assets with donor restrictions	40,739	28,293
	<u>41,599</u>	<u>28,708</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 988,515</u>	<u>\$ 878,236</u>

#### Note G - Paycheck Protection Program Loan

In April 2020, the Organization obtained a Paycheck Protection Program (PPP) loan, under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), for \$81,477. The loan is administered by the Small Business Administration, guaranteed by the Federal government, and funded by WSFS Bank. The loan accrues interest at 1%, defers payments for six months and matures in two years. The Organization may apply for forgiveness of the loan and any accrued interest based on the amount of proceeds used for qualified expenses during the covered period. In June 2020, the Flexibility Act was signed into law and amended the CARES Act to defer payments for up to ten months from the end of the covered period and permitted lenders and borrowers to extend the maturity date to five years by mutual agreement.

As of December 31, 2020, the loan has not been forgiven by the SBA and is included in long-term liabilities. In accordance with the Flexibility Act amendment, the Organization's deferral period for principal and interest payments was updated from six months according to the terms and conditions of the loan agreement to ten months. The Organization believes it used all of the proceeds from the loan for qualifying expenses and expects the loan to be forgiven in the future, at which time the Organization will recognize a gain for forgiveness of the loan and associated accrued interest.

## Cancer Support Community Delaware, Inc.

### Notes to Financial Statements

#### Note H - Patient Assistant Funds Payable

During the year, the Organization partnered with the Incyte Foundation to allow residents in active cancer treatment in Delaware, and with demonstrated need, access to emergency funds to assist with medical expenses and basic living expenses, such as rent, mortgage, utilities or transportation. The Organization maintains the funds in a custodial bank account and has a designated committee review and approves all applications. They have determined a maximum assistance of \$3,000 per patient.

Incyte Foundation has committed to funds the bank account with \$100,000 a year for five years. The Organization has assisted Incyte with \$181,032 and \$108,557 in assistance to patients in need during the years ended December 31, 2020 and 2019, respectively.

#### Note I - Net Assets with Donor Restrictions

Net assets with donor restrictions for the following purposes as of December 31,:

	<u>2020</u>	<u>2019</u>
Health Coaching	\$ 17,346	\$ -
Center Improvements	<u>23,393</u>	<u>28,293</u>
	<u>\$ 40,739</u>	<u>\$ 28,293</u>

#### Note J - Board Designated Funds

The Organization received a bequest from the estate of an active volunteer in Sussex County. The Board has designated the funds to be used for Sussex County programs, with earnings available to be used annually. The funds are being held as a separate fund at the DCF. The values of the funds were \$132,232 and \$118,410 as of December 31, 2020 and 2019, respectively.

## Cancer Support Community Delaware, Inc.

### Notes to Financial Statements

#### Note K - Special Events

The contributions raised through special events provides significant resources to the Organization which allows it to continue to fulfill its mission. Special events revenue is reported net of the direct expenses incurred on the statement of activities while other fundraising expenses are allocated to the fundraising expenses on the statements of functional expenses.

Fundraising income and expenses are as follows for the years ended December 31,:

	<u>2020</u>	<u>2019</u>
Fundraising income	\$ 215,583	\$ 292,361
Fundraising expense	<u>(42,702)</u>	<u>(80,659)</u>
Special events revenue - net	<u>\$ 172,881</u>	<u>\$ 211,702</u>
Direct fundraising expense	19.81%	27.59%

#### Note L - National Affiliation

The Organization is a licensed affiliate of and accredited by Cancer Support Community Inc. The national organization defines the roles and expectations for each affiliate. As a member, the Organization follows the guidelines and adheres to the policies of the national organization. They also pay annual dues to the national organization which were \$8,546 and \$7,500, for the years ended December 31, 2020 and 2019, respectively.

#### Note M - Commitments and Contingencies

In the normal course of business, there are outstanding various commitments and contingencies in addition to the normal purchases of goods and services. The Organization does not anticipate losses as a result of these commitments and contingencies.

## **Cancer Support Community Delaware, Inc.**

### **Notes to Financial Statements**

#### **Note N - Credit Risk**

Financial instruments that potentially subject the Organization to significant concentrations of credit risk are principally cash balances and marketable securities.

##### **1. Cash Balances**

The Organization, in the ordinary course of business, maintains cash balances in various financial institutions. For the years ended December 31, 2020 and 2019, the balances of both interest and non-interest-bearing accounts were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances on all accounts held at the financial institutions are added together, and any amounts over the limit is considered uninsured. At times, balances may exceed insured limits; however, management does not feel it is exposed to any significant credit risk with respect to uninsured balances maintained at financial institutions.

##### **2. Marketable Securities**

The Organization maintains marketable securities with a brokerage firm located in the United States which is insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000, which includes a \$250,000 limit for cash. At times, balances may exceed insured limits; however, management does not feel it is exposed to any significant credit risk with respect to uninsured balances maintained at the brokerage firm.

#### **Note O - Subsequent Events**

The Organization evaluated its financial statements for subsequent events through May 28, 2021, the date the financial statements were available to be issued.

Subsequent to December 31, 2020 the Small Business Administration (SBA) forgave the Paycheck Protection Program (PPP) loan. For the year ending December 31, 2021, the Organization will recognize grant income on the forgiven amount. The SBA can audit the loan for up to six years after it forgave the loan. The Organization believes it met the qualifications for PPP loan forgiveness and used all of the proceeds from the loan for qualifying expenses.

Also, subsequent to December 31, 2020 the Organization obtained a second Paycheck Protection Program (PPP2) loan, under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) form, \$72,682.