

Cancer Support Community North Texas

Financial Statements
Years Ended December 31, 2023 and 2022

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation and the U.S. member of BDO International Limited, a UK company limited by guarantee.



Cancer Support Community North Texas

Financial Statements
Years Ended December 31, 2023 and 2022

Cancer Support Community North Texas

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Independent Auditor's Report

To the Board of Directors
Cancer Support Community North Texas
Dallas, Texas

Opinion

We have audited the financial statements of Cancer Support Community North Texas (the Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA P.C.

August 26, 2024

Financial Statements

Cancer Support Community North Texas

Statements of Financial Position

<i>December 31,</i>	2023	2022
Assets		
Cash and cash equivalents	\$ 285,994	\$ 738,621
Investments	2,528,498	2,334,024
Prepaid expenses	3,722	2,489
Land, building, and equipment, net	9,828	14,765
Total Assets	\$ 2,828,042	\$ 3,089,899
Liabilities and Net Assets		
Accounts payable	\$ -	\$ 834
Accrued expenses	11,276	10,459
Total Liabilities	11,276	11,293
Commitments and Contingencies		
Net Assets		
Without donor restrictions	2,816,766	3,078,606
With donor restrictions	-	-
Total Net Assets	2,816,766	3,078,606
Total Liabilities and Net Assets	\$ 2,828,042	\$ 3,089,899

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

Cancer Support Community North Texas

Statements of Activities

Year ended December 31,

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support						
Contributions and grants	\$ 832,422	\$ 123,848	\$ 956,270	\$ 1,140,784	\$ 74,916	\$ 1,215,700
Contributions - in kind	138,682	-	138,682	123,647		123,647
Total Public Support	971,104	123,848	1,094,952	1,264,431	74,916	1,339,347
Revenue						
Special events (net of direct benefit to donor of \$0 and \$17,108 for 2023 and 2022, respectively)	251,674	-	251,674	173,373	-	173,373
Investment income (loss), net	229,285	-	229,285	(387,420)	-	(387,420)
Net assets released from restrictions-satisfaction of time requirements	123,848	(123,848)	-	89,951	(89,951)	-
Total Public Support and Revenues	1,575,911	-	1,575,911	1,140,335	(15,035)	1,125,300
Expenses						
Program services	1,529,082	-	1,529,082	1,125,627	-	1,125,627
Fundraising	220,470	-	220,470	135,921	-	135,921
Management and general	88,199	-	88,199	66,102	-	66,102
Total Expenses	1,837,751	-	1,837,751	1,327,650	-	1,327,650
Change in Net Assets	(261,840)	-	(261,840)	(187,315)	(15,035)	(202,350)
Net Assets, beginning of year	3,078,606	-	3,078,606	3,265,921	15,035	3,280,956
Net Assets, end of year	\$ 2,816,766	\$ -	\$ 2,816,766	\$ 3,078,606	\$ -	\$ 3,078,606

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

Cancer Support Community North Texas

Statements of Functional Expenses

Year ended December 31,

	2023				2022			
	Program Services	Fundraising	Management and General	Total	Program Services	Fundraising	Management and General	Total
Payroll expenses	\$ 687,765	\$ 133,981	\$ 71,456	\$ 893,202	\$ 490,366	\$ 95,526	\$ 50,947	\$ 636,839
Professional fees and consultations	298,464	27,205	1,185	326,854	191,805	11,533	1,341	204,679
Supplies	29,439	360	216	30,015	17,138	232	139	17,509
Telephone	5,294	210	168	5,672	3,740	148	119	4,007
Postage	11,116	1,325	299	12,740	1,119	629	142	1,890
Meals and entertainment	1,775	444	-	2,219	2,154	538	-	2,692
Printing	45,378	2,846	-	48,224	4,848	1,466	-	6,314
Transportation	5,199	975	325	6,499	1,577	296	99	1,972
Training and education	4,106	657	219	4,982	5,348	764	254	6,366
Insurance	17,294	686	548	18,528	16,715	663	530	17,908
Office equipment and building maintenance and repair	33,381	913	731	35,025	34,309	1,084	867	36,260
Rent	207,403	11,522	11,522	230,447	194,638	10,813	10,813	216,264
Rent - in kind	138,682	-	-	138,682	138,682	-	-	138,682
Credit card/bank fees	-	31,435	-	31,435	-	5,297	-	5,297
Advertising and promotion	1,378	2,712	-	4,090	2,181	2,668	-	4,849
Membership fees	36,902	4,242	1,272	42,416	7,301	839	252	8,392
Miscellaneous	1,063	710	11	1,784	3,043	2,833	7	5,883
Total Expenses, before depreciation	1,524,639	220,223	87,952	1,832,814	1,114,964	135,329	65,510	1,315,803
Depreciation Expense	4,443	247	247	4,937	10,663	592	592	11,847
Total Expenses, less direct donor benefit expense	\$ 1,529,082	\$ 220,470	\$ 88,199	\$ 1,837,751	\$ 1,125,627	\$ 135,921	\$ 66,102	\$ 1,327,650

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

Cancer Support Community North Texas

Statements of Cash Flows

<i>Year ended December 31,</i>	2023	2022
Cash Flows from Operating Activities		
Change in net assets	\$ (261,840)	\$ (202,350)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	4,937	11,847
Net realized and unrealized (gain) loss on investments	(136,306)	439,985
Pledged rent receivable	-	15,035
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Prepaid expenses	(1,233)	-
Increase (decrease) in:		
Accounts payable	(834)	(6,554)
Accrued expenses	817	2,170
Net Cash (Used in) Provided by Operating Activities	(394,459)	260,133
Cash Flows from Investing Activities		
Proceeds from sale or redemption of investments	285,936	836,516
Purchases of investment securities	(344,104)	(883,130)
Purchases of fixed assets	-	(7,217)
Net Cash Used in Investing Activities	(58,168)	(53,831)
Net (Decrease) Increase in Cash	(452,627)	206,302
Cash and Equivalents, beginning of year	738,621	532,319
Cash and Equivalents, end of year	\$ 285,994	\$ 738,621

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

Cancer Support Community North Texas

Notes to Financial Statements

1. Description of The Organization

Cancer Support Community North Texas (the Organization) is a non-profit, voluntary, citizen-controlled Organization, incorporated to provide services to persons diagnosed with cancer and family members and friends of those diagnosed with cancer. The Organization is supported by contributions from individuals, companies, and private foundations.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Organization considers all demand and money market accounts to be cash equivalents.

Investments

The Organization records all investments with readily determinable market values at fair value in the statements of financial position. Increases and decreases in fair value are recognized as gains and losses in the period in which they occur. The Organization records investment transactions based on the trade date. All investments at December 31, 2023 and 2022 have readily determinable market values.

Land, Building, and Equipment

Land, building, and equipment is carried at cost, and the related depreciation is provided on the straight-line basis over the assets' estimated useful lives, generally 40 years for buildings and renovations, seven years for office equipment and furniture, and three years for computer software. Major renewals and betterments are capitalized and depreciated. Repair and maintenance costs are expensed as incurred.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, the Organization reports information regarding its financial position and activities and changes therein as follows:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are assets available for use in general operations and not subject to donor restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors. There were no board designated funds for the years ended December 31, 2023 or 2022.

Net Assets with Donor Restrictions - Net assets with donor restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cancer Support Community North Texas

Notes to Financial Statements

Revenue

Revenues and other support are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Pledges receivable have an implicit time restriction unless a donor explicitly states that the gift is to support current activities or other circumstances make that clear. Contributions received with time and/or purpose restrictions which are fulfilled in the same period are classified as without donor restriction.

In accordance with Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, management determined ASC 606 does not apply to the Organization with regard to Contributions. Contributions were determined by management to be nonexchange transactions and will continue to be accounted for under ASC 2018-08. Special events revenues do apply to ASC 606 as they are exchange transactions with customers and are recognized in a point in time, when the event is held.

Functional Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the consolidated statement of activities. Expenses directly attributable to a specific program area of the Organization are reported as expenses of those program areas. The financial statements report certain categories of expenses that are attributed to more than one program function. Salary and salary related items are allocated based on time reported. Office rent, telephone charges, and property insurance are allocated based on square footage, usage and activity. All other expenses are directly allocated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Impairment of Long-Lived Assets

The Organization periodically reviews the carrying value of its long-lived assets, including land, building, and equipment, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized to the extent fair value of a long-lived asset is less than the carrying amount. Fair value is determined based upon the estimated future cash inflows attributable to the asset less estimated future cash outflows. No such losses were recognized during the years ended December 31, 2023 and 2022.

Fair Value of Financial Instruments

The Organization's significant financial instruments include cash and other assets, which have carrying values that approximate their fair values due to the short maturities of those assets. Financial instruments of the Organization also include investments, which are all stated at their approximate fair value as further described at Note 3.

Cancer Support Community North Texas

Notes to Financial Statements

Federal Income Taxes

The Organization is a qualified non-profit organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Under Financial Accounting Standards Board (FASB) ASC Topic 740 *Accounting for Uncertainty in Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The Organization does not believe there are any unrecognized tax benefits that should be recorded. For the years ended December 31, 2023 and 2022, there were no interest or penalties related to taxes recorded or included in the statement of activities. The Organization is still open to examination by taxing authorities from 2019 forward.

Concentrations

Concentration of credit risk consists primarily of cash. As of December 31, 2023 and 2022, the Organization held cash at a quality financial institution that at times is in excess of federally insured limits.

One donor comprises approximately 68% and 76% of contributions and grants revenue for the years ended December 31, 2023 and 2022, respectively.

Reclassifications

Certain amounts in the 2022 financial statements have been reclassified for comparative purposes to conform to the presentation in the 2023 financial statements.

3. Fair Value Measurements

FASB guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under this guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Assets measured at fair value on a recurring basis include investments. Investments consist of common stock, mutual funds and fixed income securities. The fair values of these investments are based on quoted market price and are classified in Level 1 of the fair value hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value:

December 31, 2023

	Level 1	Level 2	Level 3	Total
Common stock	\$ 46,009	\$ -	\$ -	\$ 46,009
Mutual funds	1,066,768	-	-	1,066,768
Alternative funds	124,225	-	-	124,225
Fixed income funds	1,291,496	-	-	1,291,496
Total Assets, at fair value	\$ 2,528,498	\$ -	\$ -	\$ 2,528,498

December 31, 2022

	Level 1	Level 2	Level 3	Total
Common stock	\$ 44,583	\$ -	\$ -	\$ 44,583
Mutual funds	985,728	-	-	985,728
Alternative funds	124,426	-	-	124,426
Fixed income funds	1,179,287	-	-	1,179,287
Total Assets, at fair value	\$ 2,334,024	\$ -	\$ -	\$ 2,334,024

Cancer Support Community North Texas

Notes to Financial Statements

4. Land, Building, and Equipment

Land, building, and equipment consist of the following:

<i>December 31,</i>	2023	2022
Office equipment and furniture	\$ 326,860	\$ 326,860
Building and renovations	39,656	39,656
Computer software	18,920	18,920
	385,436	385,436
Less: accumulated depreciation	(375,608)	(370,671)
	\$ 9,828	\$ 14,765

5. Related Party Transactions

The Organization receives contributions from its Board of Directors. These amounts are recorded by the Organization as revenue and are available for unrestricted use unless stipulated by the donor as restricted. During 2023 and 2022, the Organization received \$109,280 and \$78,625, respectively, in donations from members of its Board of Directors, which represents 100% participation of Board of Directors.

6. Contributed Nonfinancial Assets

A number of volunteers have donated significant time and effort to the Organization. The dollar value of donated volunteer services is not reflected in the financial statements since no objective basis is available to measure the value of such services.

Donated rental space that can be used by the Organization are reflected in the financial statements as contributions at their estimated value at the date of receipt based rental values of similar properties in the North Texas area and are recorded 100% as program expenses in the statements of functional expenses for the years ended December 31, 2023 and 2022.

Contributed nonfinancial assets recognized within the statement of activities included:

<i>Year ended December 31</i>	2023	2022
Rent - in kind	\$ 138,682	\$ 123,647
	\$ 138,682	\$ 123,647

7. Advertising Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2023 and 2022 were \$4,090 and \$4,849, respectively.

Cancer Support Community North Texas

Notes to Financial Statements

8. Retirement Plan

The Organization created a defined contribution plan (the Plan) covering all employees 18 years of age and with at least six consecutive months of service, excluding union employees and non-resident alien employees. The Organization may match participants' contributions to the Plan up to a determined percentage of the individual participant's compensation. In addition, the Organization may contribute, at its discretion, an undetermined percentage of all participants' eligible compensation as defined by the Plan. The Organization contributed approximately \$17,715 and \$12,218 to the plan for the years ended December 31, 2023 and 2022, respectively.

9. Line of Credit

On May 20, 2022, the Organization secured a line of credit with a bank for a total commitment of \$150,000. At December 31, 2023, there was no outstanding balance on the line of credit or draws during the year. The maturity on the line of credit is May 20, 2025 and is at an interest rate of 4.5%.

10. Lease Obligations

The Organization has operating leases office space for its administration office and club house with maturity dates being short term for the year ended December 31, 2023. Rental expense, for the years ended December 31, 2023 and 2022 was approximately \$134,000 and \$130,000, respectively. Future lease obligations are \$26,280 due in the fiscal year 2024. In kind rent on office space is month to month and was approximately \$138,700 for the years ended December 31, 2023, and 2022.

11. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

<i>December 31,</i>	2023	2022
Cash and cash equivalents	\$ 285,994	\$ 738,621
Investments	2,528,498	2,334,024
Total Financial Assets Available Within One Year for General Expenditures	\$ 2,814,492	\$ 3,072,645

As a part of the Organization's liquidity management, it has informally decided to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization maintains its cash and cash equivalents in financial institutions as cash.

12. Subsequent Events

The date to which events occurring after December 31, 2023, the date of the most recent statement of financial position, have been evaluated by management for possible adjustment to the financial statements or disclosure is August 26, 2024, which is the date on which the financial statements were available to be issued.