

Cancer Support Community Delaware, Inc.

Financial Statements

December 31, 2023 and 2022

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SPARANO, VINCELETTE & JOINER

CERTIFIED PUBLIC ACCOUNTANTS

1814 NEWPORT GAP PIKE
WILMINGTON, DELAWARE 19808

PHONE (302) 999-7300

FAX (302) 999-7183

CHARLES J. VINCELETTE, CPA
EVELYN M. JOINER, CPA

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Cancer Support Community Delaware, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023, and the related statements 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.

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, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Cancer Support Community Delaware, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Cancer Support Community Delaware, Inc.'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 it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 omission, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, 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 Cancer Support Community Delaware, Inc.'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 any conditions or events, considered in the aggregate, that raise substantial doubt about Cancer Support Community Delaware, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Cancer Support Community Delaware, Inc.'s December 31, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 18, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.



May 14, 2024
Wilmington, Delaware

Cancer Support Community Delaware, Inc.

Statements of Financial Position

December 31, 2023 and 2022

Assets

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash, cash equivalents and restricted cash	\$ 398,528	\$ 457,968
Accounts receivable	19,390	14,120
Prepaid expenses	9,680	14,276
Total current assets	<u>427,598</u>	<u>486,364</u>
PROPERTY AND EQUIPMENT		
Net of accumulated depreciation	<u>1,388,191</u>	<u>1,432,021</u>
OTHER ASSETS		
Donated artwork	34,029	34,029
Investment in Delaware Community Foundation	177,367	157,074
Other investments	807,366	620,803
Total other assets	<u>1,018,762</u>	<u>811,906</u>
TOTAL ASSETS	\$ <u>2,834,551</u>	\$ <u>2,730,291</u>

Liabilities and Net Assets

CURRENT LIABILITIES		
Accounts payable	\$ 8,046	\$ 11,150
Accrued payroll	5,553	475
Patient assistance funds payable	6,062	1,537
Total current liabilities	<u>19,661</u>	<u>13,162</u>
NET ASSETS		
Without donor restrictions	<u>2,814,890</u>	<u>2,717,129</u>
Total net assets	<u>2,814,890</u>	<u>2,717,129</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>2,834,551</u>	\$ <u>2,730,291</u>

See accompanying notes to financial statements.

Cancer Support Community Delaware, Inc.

Statements of Activities and Changes in Net Assets

**For the Year Ended December 31, 2023
with Summarized Comparative Information for the Year Ended December 31, 2022**

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Information
REVENUES AND OTHER SUPPORT				
Contributions and grants	\$ 271,505	\$ 4,340	\$ 275,845	\$ 295,799
Government grants	194,423	-	194,423	172,118
In-kind donations	18,087	-	18,087	21,351
Investment income	17,323	-	17,323	12,167
Gain (loss) on investments	89,680	-	89,680	(142,329)
Program revenue	35,300	-	35,300	33,290
Special events revenue - net	255,581	-	255,581	228,262
Net assets released from restrictions	4,340	(4,340)	-	-
Total revenues and other support	886,239	-	886,239	620,658
EXPENSES				
Programs	656,703	-	656,703	542,044
Management and general	45,295	-	45,295	40,418
Fundraising	86,480	-	86,480	81,345
Total expenses	788,478	-	788,478	663,807
CHANGE IN NET ASSETS	97,761	-	97,761	(43,149)
NET ASSETS - BEGINNING OF YEAR	2,717,129	-	2,717,129	2,760,278
NET ASSETS - END OF YEAR	\$ 2,814,890	\$ -	\$ 2,814,890	\$ 2,717,129

See accompanying notes to financial statements.

Cancer Support Community Delaware, Inc.

Statements of Functional Expenses

**For the Year Ended December 31, 2023 with
Summarized Information for the Year Ended December 31, 2022**

	<u>2023</u>				<u>2022</u>
	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Summarized Information</u>
Payroll and related expenses					
Payroll expenses	\$ 312,270	\$ 23,924	\$ 53,090	\$ 389,284	\$ 302,819
Employee benefits	14,179	1,086	2,410	17,675	16,870
Total payroll and related expenses	326,449	25,010	55,500	406,959	319,689
Advertising	28,485	-	-	28,485	19,178
Bank charges	1,879	-	5,638	7,517	5,720
Computer expenses	19,717	1,816	4,410	25,943	22,123
Conferences and meetings	3,145	821	-	3,966	3,537
Depreciation	38,569	3,945	1,315	43,829	43,690
Dues and subscriptions	15,077	-	1,675	16,752	17,902
Facilities and grounds	71,675	6,489	2,163	80,327	73,431
Insurance	9,893	1,012	337	11,242	10,680
Office supplies	2,802	258	626	3,686	8,552
Postage	1,556	143	348	2,047	1,534
Printing	4,018	370	899	5,287	5,673
Professional fees	47,347	4,361	10,591	62,299	52,351
Program supplies	62,875	-	21	62,896	59,314
Program travel	4,781	-	-	4,781	602
Telephone	11,614	1,070	2,598	15,282	14,214
Website and internet	6,821	-	359	7,180	5,617
TOTAL EXPENSES	\$ 656,703	\$ 45,295	\$ 86,480	\$ 788,478	\$ 663,807

See accompanying notes to financial statements.

Cancer Support Community Delaware, Inc.

Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 97,761	\$ (43,149)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	43,830	43,690
Realized gain on sale of investments	2,210	(3,445)
Unrealized (gain) loss on investments	(91,890)	145,774
Changes in current assets and liabilities		
(Increase) decrease in accounts receivable	(5,270)	6,242
Decrease (increase) in prepaid expenses	4,596	(2,600)
(Decrease) increase in accounts payable	(3,104)	1,804
Increase (decrease) in accrued payroll	5,078	(325)
Decrease in deferred income	-	(20,000)
Increase in patient assistance funds	4,525	1,295
Net cash provided by operating activities	<u>57,736</u>	<u>129,286</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(3,144)
Proceeds from the sale of investments	44,536	16,907
Purchase of investments	(161,712)	(28,853)
Net cash used in investing activities	<u>(117,176)</u>	<u>(15,090)</u>
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(59,440)	114,196
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	<u>457,968</u>	<u>343,772</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 398,528</u>	<u>\$ 457,968</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH FLOW INFORMATION		
Donated supplies and services	<u>\$ 18,087</u>	<u>\$ 21,351</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. Under this basis of accounting revenues from services are recognized when the performance of the obligations of providing services are met. Contributions are recognized when cash, securities, or other assets, unconditional promises to give, or notification of a beneficial interest is received. Conditional promises to give are those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Expenses are recognized in the period when incurred. Accordingly, all significant receivables, payables and other liabilities are recognized.

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 Receivable and Allowance for Credit Losses

Accounts receivable consist of grant and program service revenue receivables that arise from the Organization meeting their performance obligations. Management has concluded that credit losses on outstanding balances at year-ends will be immaterial.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

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

5. Accounts Receivable and Allowance for Credit Losses (Continued)

Effective January 1, 2023, the Organization adopted *ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Under this standard, the Organization reports accounts receivable at the amount management expects to collect on balances outstanding at year-end. Management determines collectability based on a combination of historical collection experience and review of current status of outstanding accounts receivable balances. The estimate could require a change based on changing circumstances, including changes in the economy or in the particular circumstance of customers.

Prior to January 1, 2023, the Organization used the allowance method to provide for the estimated losses that will be incurred in the collection of outstanding accounts receivable balances. At December 31, 2022, management determined all accounts receivable to be fully collectible and thus provided no allowance for uncollectible accounts.

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 and changes in net assets. The Organization's investment in the Delaware Community Foundation (DCF) is recognized in accordance with accounting principles generally accepted in the United States of America. Earnings, fees, and unrealized gains and losses are included in the statements of activities and changes in net assets.

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 and changes in net assets.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

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

7. Property and Equipment (Continued)

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
Computer equipment and 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.

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 an 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 and changes in net assets as net assets released from restrictions.

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):

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, 2023.

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. For the years ended December 31, 2023 and 2022, the Organization received discounted services amounting to \$9,651 and \$13,129, respectively.

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 are recorded as unrestricted in-kind donations. For the years ended December 31, 2023 and 2022, the amounts recognized were \$8,435 and \$8,222, respectively.

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.

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)

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 event has concluded. 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 I).

2. Service Agreements:

The Organization has service agreements with the following two hospitals: Beebe Healthcare (Beebe) and Christiana Care Health Services (Christiana). 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 a point in time, which is the date the services are performed and based on the agreed upon transaction price, without any right to return or refunds.

10. Advertising Expense

The Organization expenses the production costs of advertising when incurred. For the years ended December 31, 2023 and 2022, advertising totaled \$28,485 and \$19,178, 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.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

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

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: payroll expenses 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 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. 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.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

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

15. Income Taxes

The Organization is 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.

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.

17. New Accounting Guidance Implementation

Effective January 1, 2023, the Organization adopted *ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. Topic 326 requires measurement and recognition of expected versus incurred losses for financial assets held. Financial assets held by the Organization that are subject to ASU 2016-13 include accounts receivable. The adoption of this ASU did not have a material impact on the Organization’s financial statements, but did change how the allowance for credit losses, if any, is determined.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

Note B - Cash, Cash Equivalents and Restricted Cash

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

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 392,466	\$ 456,431
Cash Equivalent		
Restricted for Purpose	<u>6,062</u>	<u>1,537</u>
Total cash, cash equivalents and restricted cash	<u>\$ 398,528</u>	<u>\$ 457,968</u>

Note C - Property and Equipment

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

	<u>2023</u>	<u>2022</u>
Buildings and improvements	\$ 1,582,514	\$ 1,582,514
Land and improvements	567,432	567,432
Equipment and furniture	124,108	124,108
Computer equipment and software	<u>64,878</u>	<u>64,878</u>
Total	2,338,932	2,338,932
Less: accumulated depreciation	<u>950,741</u>	<u>906,911</u>
Property and equipment - net	<u>\$ 1,388,191</u>	<u>\$ 1,432,021</u>

For the years ended December 31, 2023 and 2022, depreciation expense amounted to \$43,829 and \$43,690, 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 accounting principles generally accepted in the United States of America. 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 are 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. As of December 31, 2023 and 2022, the combined fair market value of the two funds held at DCF was \$177,367 and \$157,074, 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>2023</u>	<u>2022</u>
Money market funds	\$ 135,952	\$ 43,219
Exchange traded funds	386,568	294,734
Fixed income	95,273	109,663
Mutual funds	<u>189,573</u>	<u>173,187</u>
Total	<u>\$ 807,366</u>	<u>\$ 620,803</u>

Investment income and its classification in the statements of activities and changes in net assets are as follows for the years ended December 31,:

	<u>2023</u>	<u>2022</u>
Investment income		
Interest income - banks	\$ 147	\$ 220
Dividends and income earned	<u>24,391</u>	<u>19,200</u>
Total investment income	<u>\$ 24,538</u>	<u>\$ 19,420</u>
Gain on investments		
Realized gains	\$ (2,210)	\$ 3,445
Unrealized gains (losses)	<u>91,890</u>	<u>(145,774)</u>
Total gain (loss) on investments	<u>\$ 89,680</u>	<u>\$ (142,329)</u>
Investment advisory fees	<u>\$ 7,215</u>	<u>\$ 7,253</u>

Investment income reflects the activity of both the brokerage account, classified as Level 1 and the funds held by the Delaware Community Foundation (Note D), 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 date of the statements of financial position, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the statements of financial position. The amounts are as follows at December 31,:

	<u>2023</u>	<u>2022</u>
Financial assets at year end:		
Cash, cash equivalents and restricted cash	\$ 398,528	\$ 457,968
Donations receivable	19,390	14,120
Investments and other investments	<u>984,733</u>	<u>777,877</u>
Total financial assets	<u>1,402,651</u>	<u>1,249,965</u>
Less amounts not available to be used within one year:		
Cash restricted for patients assistance program	<u>6,062</u>	<u>1,537</u>
	<u>6,062</u>	<u>1,537</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,396,589</u>	<u>\$ 1,248,428</u>

Note G - Patient Assistant Funds Payable

The Organization partnered with the Incyte Foundation to provide 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. Incyte contributes the funds to a custodial bank account bank which the Organization maintains. They have designated a committee to review and approve all applications. They have determined a maximum assistance of \$3,000 per patient.

Incyte Foundation has committed to fund the bank account with \$100,000 a year for five years. The Organization has assisted Incyte with providing assistance to patients in need, which for the years ended December 31, 2023 and 2022, amounted to \$99,032 and \$100,067, respectively.

Note H - Board Designated Funds

Board designated funds are included in the net assets without donor restrictions on the statements of financial position. The Organization received a bequest from the estate of an active volunteer in Sussex County and at that time the Board 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 value of the fund as of December 31, 2023 and 2022 was \$144,626 and \$128,079, respectively.

Cancer Support Community Delaware, Inc.

Notes to Financial Statements

Note I - 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 statements of activities and changes in net assets 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>2023</u>	<u>2022</u>
Fundraising income	\$ 333,343	\$ 296,810
Fundraising expense	<u>(77,762)</u>	<u>(68,548)</u>
Special events revenue - net	<u>\$ 255,581</u>	<u>\$ 228,262</u>
Direct fundraising expense	<u>23.33%</u>	<u>23.09%</u>

Note J - 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 for the years ended December 31, 2023 and 2022, were \$11,943 and \$11,615, respectively.

Note K - 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 L - 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, 2023 and 2022, 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 M - Subsequent Events

The Organization evaluated its financial statements for subsequent events through May 14, 2024, the date on which the financial statements were available to be issued.