

LIVING BEYOND BREAST CANCER
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)



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**LIVING BEYOND BREAST CANCER
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YEAR ENDED DECEMBER 31, 2019**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Living Beyond Breast Cancer
Bala Cynwyd, Pennsylvania

We have audited the accompanying financial statements of Living Beyond Breast Cancer (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 Living Beyond Breast Cancer as of December 31, 2019, and the changes in its net assets and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

As discussed in Note 1 to the financial statements, management has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* and Accounting Standards Update (ASU) No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. Our opinion is not modified with respect to these matters.

Report on Summarized Comparative Information

We have previously audited Living Beyond Breast Cancer's 2018 financial statements, and our report dated March 6, 2019, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.



CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
March 19, 2020

LIVING BEYOND BREAST CANCER
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,664,829	\$ 2,613,257
Grants, Bequests and Contributions Receivable	212,661	41,960
Prepaid Expenses	40,233	18,711
Total Current Assets	2,917,723	2,673,928
INVESTMENTS	11,076,713	9,258,389
PROPERTY AND EQUIPMENT		
Office Furniture and Equipment	144,647	140,105
Software	56,359	56,359
Leasehold Improvements	10,125	10,125
Total	211,131	206,589
Less: Total Accumulated Depreciation	150,291	134,590
Total Property and Equipment	60,840	71,999
OTHER ASSETS		
Security Deposits	11,360	11,360
Total Other Assets	11,360	11,360
 Total Assets	 \$ 14,066,636	 \$ 12,015,676
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 109,693	\$ 68,485
Accrued Salaries	72,421	67,016
Accrued Vacation	32,262	27,942
Accrued Payroll Taxes	2,703	3,311
Total Current Liabilities	217,079	166,754
DEFERRED RENT	23,772	35,498
Total Liabilities	240,851	202,252
NET ASSETS		
Without Donor Restrictions	12,881,510	10,753,754
With Donor Restrictions	944,275	1,059,670
Total Net Assets	13,825,785	11,813,424
 Total Liabilities and Net Assets	 \$ 14,066,636	 \$ 12,015,676

See accompanying Notes to Financial Statements.

**LIVING BEYOND BREAST CANCER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)**

	Without Donor Restrictions	With Donor Restrictions	Total 2019	Total 2018
REVENUE AND OTHER SUPPORT				
Grants	\$ 439,151	\$ 268,172	\$ 707,323	\$ 569,612
Special Events	751,576	12,500	764,076	763,147
Individual and Corporate Bequests and Contributions	1,909,949	290,500	2,200,449	2,385,896
Conference Fees	78,078	5,000	83,078	62,272
Sponsorship Fees	642,655	1,075,000	1,717,655	1,596,250
Donated Services	24,202	-	24,202	119,238
Gifts In-Kind	110,367	-	110,367	19,698
Total	<u>3,955,978</u>	<u>1,651,172</u>	<u>5,607,150</u>	<u>5,516,113</u>
Net Assets Released from Restrictions	1,766,567	(1,766,567)	-	-
Total Revenue and Other Support	<u>5,722,545</u>	<u>(115,395)</u>	<u>5,607,150</u>	<u>5,516,113</u>
EXPENSES				
Program Expenses:				
Educational/Other Programs	4,359,834	-	4,359,834	4,487,094
Total Program Expenses	<u>4,359,834</u>	<u>-</u>	<u>4,359,834</u>	<u>4,487,094</u>
Support Services:				
Administrative and General	383,598	-	383,598	429,801
Fundraising	462,867	-	462,867	493,190
Total Support Services	<u>846,465</u>	<u>-</u>	<u>846,465</u>	<u>922,991</u>
Total Expenses	<u>5,206,299</u>	<u>-</u>	<u>5,206,299</u>	<u>5,410,085</u>
Change in Net Assets Before Other Income (Loss)	516,246	(115,395)	400,851	106,028
OTHER INCOME (LOSS)				
Investment Income	373,947	-	373,947	357,449
Realized Gain on Investments	268,787	-	268,787	41,785
Unrealized Gain (Loss) on Investments	968,776	-	968,776	(893,735)
Loss on Disposal of Equipment	-	-	-	(3,267)
Total Other Income (Loss)	<u>1,611,510</u>	<u>-</u>	<u>1,611,510</u>	<u>(497,768)</u>
CHANGE IN NET ASSETS	2,127,756	(115,395)	2,012,361	(391,740)
Net Assets - Beginning of Year	<u>10,753,754</u>	<u>1,059,670</u>	<u>11,813,424</u>	<u>12,205,164</u>
NET ASSETS - END OF YEAR	<u>\$ 12,881,510</u>	<u>\$ 944,275</u>	<u>\$ 13,825,785</u>	<u>\$ 11,813,424</u>

See accompanying Notes to Financial Statements.

**LIVING BEYOND BREAST CANCER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)**

	Educational/ Other Programs	General and Administrative	Fundraising	Total Support Services	Total 2019	Total 2018
Salaries	\$ 1,740,660	\$ 195,766	\$ 181,923	\$ 377,689	\$ 2,118,349	\$ 2,129,572
Payroll Taxes and Employee Benefits	392,665	44,576	41,039	85,615	478,280	501,591
Bad Debt Expense	921	-	813	813	1,734	-
Conference Expenses	628,569	7,509	93,183	100,692	729,261	855,764
Delivery	9,121	415	270	685	9,806	7,917
Dues and Subscriptions	8,025	6,309	925	7,234	15,259	16,990
Equipment	297	5,933	-	5,933	6,230	3,670
Equipment Rental and Maintenance	5,325	15,709	381	16,090	21,415	23,453
Grants - Golder Recipients	58,313	-	-	-	58,313	99,636
Graphic Design	102,593	102	6,923	7,025	109,618	60,144
Insurance	8,593	964	898	1,862	10,455	9,944
LBBC National Fund Grants	43,021	-	-	-	43,021	22,135
Mission Delivery Expenses	1,253	-	-	-	1,253	1,342
Office and Program Expenses	110,443	15,598	19,799	35,397	145,840	138,308
Postage	30,618	1,043	11,493	12,536	43,154	87,863
Printing	47,722	1,406	14,796	16,202	63,924	118,142
Professional Fees	721,267	35,895	55,636	91,531	812,798	774,778
Rent and Utilities	113,794	12,765	11,893	24,658	138,452	139,770
Speakers and Expenses	43,310	-	606	606	43,916	46,111
Staff Development	8,823	1,814	1,490	3,304	12,127	15,902
Telephone	29,086	1,238	1,229	2,467	31,553	35,538
Travel	27,295	3,874	5,387	9,261	36,556	54,685
Website and Database Development	95,751	14,782	14,183	28,965	124,716	114,283
Amortization	-	-	-	-	-	435
Depreciation	-	15,700	-	15,700	15,700	13,176
Total Expenses Before In-Kind Expenses	<u>4,227,465</u>	<u>381,398</u>	<u>462,867</u>	<u>844,265</u>	<u>5,071,730</u>	<u>5,271,149</u>
In-Kind Expenses:						
Conference Expenses	16,755	-	-	-	16,755	14,815
Equipment Rental and Maintenance	-	-	-	-	-	500
Graphic Design	-	-	-	-	-	1,234
Professional Fees	90,500	2,200	-	2,200	92,700	92,889
Printing	1,214	-	-	-	1,214	2,598
Speakers	18,000	-	-	-	18,000	22,500
Travel	4,400	-	-	-	4,400	4,400
Website and Database Development	1,500	-	-	-	1,500	-
Total In-Kind Expenses	<u>132,369</u>	<u>2,200</u>	<u>-</u>	<u>2,200</u>	<u>134,569</u>	<u>138,936</u>
Total Functional Expenses	<u>\$ 4,359,834</u>	<u>\$ 383,598</u>	<u>\$ 462,867</u>	<u>\$ 846,465</u>	<u>\$ 5,206,299</u>	<u>\$ 5,410,085</u>

See accompanying Notes to Financial Statements.

LIVING BEYOND BREAST CANCER
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2018)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 2,012,361	\$ (391,740)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	15,700	13,176
Amortization	-	435
Realized and Unrealized (Gain) Loss on Investments, Net Donated Stock	(1,237,563)	851,950
	(398,811)	-
Loss on Disposal of Equipment	-	3,267
Changes in Operating Assets and Liabilities:		
(Increase) Decrease:		
Grants and Contributions Receivable	(170,701)	473,639
Prepaid Expenses	(21,522)	22,541
Increase (Decrease):		
Accounts Payable	41,209	(6,118)
Accrued Salaries	5,405	12,232
Accrued Vacation	4,320	367
Accrued Payroll Taxes	(608)	(1,310)
Deferred Rent	(11,726)	(9,201)
Net Cash Provided by Operating Activities	238,064	969,238
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(3,351,506)	(3,722,540)
Proceeds from Sales of Investments	3,169,556	2,742,306
Purchases of Property and Equipment	(4,542)	(20,468)
Net Cash Used by Investing Activities	(186,492)	(1,000,702)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	51,572	(31,464)
Cash and Cash Equivalents - Beginning of Year	2,613,257	2,644,721
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,664,829	\$ 2,613,257

See accompanying Notes to Financial Statements.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

In 1991, a group of women sought out information designed to help them after completing primary treatment for breast cancer only to realize that existing resources were either inadequate or not available at all. To address this, they created Living Beyond Breast Cancer (LBBC) as a Philadelphia-based educational nonprofit.

Since then, LBBC has grown into a nationally recognized organization whose vision is a world where no one impacted by breast cancer feels uninformed or alone. To strive toward reaching that vision, LBBC's mission is to connect people with trusted breast cancer information and a community of support. LBBC addresses the current needs of people affected by breast cancer, whether they are newly diagnosed, in treatment, recovery or living with a history of or managing a metastatic breast cancer. Resources are developed in collaboration with the nation's leading oncologists, health professionals, and ally organizations and are delivered by people who understand the physical and emotional complexities of breast cancer. LBBC offers its programs and services in a variety of printed and digital formats.

Since its founding in 1991, LBBC has assisted thousands of individuals affected by breast cancer. In addition, LBBC has received a four-star "exceptional" rating from Charity Navigator for 14 consecutive years, an honor signifying we outperform 99% of other related charities in fiscal management, responsibility, and transparency.

The organization's primary funding comes from individuals, corporations, special events, charitable foundations, and conference fees.

Services

Website

A place where easy to understand information and resources for women impacted by breast cancer can be found in written, audio, and video formats. www.lbbc.org

Breast Cancer Helpline

(888) 753-LBBC (5222)

Women volunteers with a personal history of breast cancer offering emotional support and practical information through a confidential exchange.

Publications

Guides to Understanding Breast Cancer and Metastatic Breast Cancer Series

Booklets addressing your needs whether you are newly diagnosed, in treatment, years beyond your diagnosis or living with metastatic disease.

Conferences

National events providing information in large sessions and interactive workshops led by breast cancer experts to help you and caregivers make informed decisions.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Nature of Organization (Continued)

Programs

LBBC has one major program and the remaining disclosures relate to the execution of this program.

Webinars & Live Webcast Programs

Regular education seminars, accessible by phone, online, or via social media, highlighting specific topics related to breast cancer.

Financial Assistance

Grants up to \$1,000 are provided to women in treatment for breast cancer and facing financial hardship in the Greater Philadelphia Area, Denver, Fort Myers, Memphis, and Tampa.

Blogs

LBBC believes there is power in telling a personal story and sharing experiences, for both the writer and the reader. Their blog features stories of women affected by breast cancer as well as those of family members, friends, and caregivers. They detail how they faced the complex medical, psychosocial, emotional, legal, and financial challenges of the disease.

Basis of Presentation

LBBC follows ASU No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The standard is intended to improve net asset classification requirements and the information present in the financial statements and notes about LBBC's liquidity, financial performance, and cash flows. The standard requires recognition of underwater endowment funds as a reduction of net assets with donor restrictions, which is not applicable to LBBC. In addition, the guidance requires enhanced disclosures about governing board designations; composition of net assets with donor restrictions; LBBC's liquidity; and expenses by both their natural and functional classification.

The financial statements of LBBC have been prepared on the accrual basis of accounting. LBBC reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Consist of normal operations and include net assets as designated by the board of directors.

Net Assets With Donor Restrictions - Represent net assets subject to donor-imposed stipulations that will be met by actions of LBBC and/or the passage of time.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, LBBC considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments are recorded at fair value on a recurring basis. Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions. Securities valued using Level 1 inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets. LBBC does not have any securities that are valued using Level 2 or Level 3 inputs.

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially change the amounts reported in the statement of financial position.

The carrying amounts for cash equivalents approximate their fair value because of their short-term maturity.

Property and Equipment

LBBC capitalizes all expenditures for office furniture, equipment and leasehold improvements in excess of \$1,500. Purchased office furniture, equipment and leasehold improvements are carried at cost. Any donated equipment is carried at the approximate fair value at the date of donation. Depreciation of furniture and equipment is computed using the straight-line method over the assets' estimated useful lives. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Gifts In-Kind

Contributions of donated in-kind items are recorded at their fair value in the period received. The in-kind contributions have been recorded as support and are also included as an expense in the statement of activities. Gifts in-kind amounted to \$110,367 for the year ended December 31, 2019.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and would otherwise be purchased by LBBC. Donated services that met the requirements for recognition amounted to \$24,202 for the year ended December 31, 2019, and have been recognized in income and the related expenses.

Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not made. Volunteers provided 5,045 hours of service during the year ended December 31, 2019.

Grants, Bequests, and Contributions

Contributions received, including grants and bequests, are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of donor restrictions. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value.

Pledges receivable (i.e., a promise dependent only on passage of time or demand by the donee for performance), with payments due to future periods, are required to be recorded as restricted support unless explicit donor stipulations or circumstances surrounding the receipt of a promise make it clear that the donor intended their contribution to be used to support activities within the current period. Unconditional pledges to give cash in future years generally increase net assets with donor restrictions.

LBBC records unconditional pledges to give at the estimated present value of the future cash flows, net of allowances to include net realizable value based upon management's analysis of specific pledges made. LBBC provides for uncollectible contributions receivable using the allowance method, which is based on management's judgment concerning historical collectability and analysis of individual contributions receivable. Past due receivables are individually analyzed for collectability and written off when all efforts at collection have been exhausted. An allowance for uncollectible accounts was not necessary at December 31, 2019.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include rents and utilities, audit fees, office supplies, postage, insurance, bank fees, credit card fees, payroll and FSA fees, investment fees, telephone and computer consulting fees, as well as salaries, payroll taxes and benefits, all of which are allocated based on the estimates of time and effort each employee spends throughout the year under each of LBBC's three job classes: education, administration and fundraising.

Income Taxes

LBBC is recognized as an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) of 1986.

LBBC follows the income tax standard for uncertain tax positions. This standard had no impact on LBBC's financial statements.

LBBC's informational tax returns are subject to review and examination by federal, state, and local authorities. LBBC is not aware of any activities that would jeopardize its tax-exempt status.

Concentration of Credit Risk

LBBC has cash at a bank, which, at various times during the year, exceeded \$250,000, the amount insured by the Federal Deposit Insurance Corporation.

New Accounting Pronouncements

In 2019, LBBC adopted FASB ASU No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new guidance is intended to clarify and improve accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. No changes were made to previously reported net assets.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

New Accounting Pronouncements (Continued)

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Subsequent to May 2014, the FASB issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The organization's financial statements reflect the application of ASC 606 guidance beginning in 2019. No cumulative-effect adjustment in net assets was recorded because the adoption of ASU 2014-09 did not significantly impact the organization's reported historical revenue.

Subsequent Events

In preparing these financial statements, LBBC has evaluated events and transactions for potential recognition or disclosure through March 19, 2020, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS

Investments consist of the following at December 31, 2019:

	<u>Cost</u>	<u>Fair Value</u>
Mutual Funds	\$ 4,197,276	\$ 4,751,368
Common Stock	450,887	453,607
Exchange-Traded Funds	3,461,024	4,155,921
Fixed Income	1,389,275	1,405,506
Money Funds	310,311	310,311
Total Investments	<u>\$ 9,808,773</u>	<u>\$ 11,076,713</u>

NOTE 3 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2019:

Cis B. Golder Quality of Life Grants	\$ 232,691
2020 Conferences	150,000
2020 Gala	12,500
2020 Yoga Sponsorship	5,000
Research, Publications, and Training	484,084
Conference Travel Grants	60,000
Total Net Assets With Donor Restrictions	<u>\$ 944,275</u>

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 DONOR-IMPOSED RESTRICTIONS

Net assets of \$1,766,567 were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donors.

Purpose restrictions accomplished:

Cis B. Golder Quality of Life Grants	\$ 51,192
2019 Conferences	749,314
2019 Gala	2,500
2019 Yoga Sponsorship	260,000
Research, Publications, and Training	614,816
Conference Travel Grants	88,745
Total	<u>\$ 1,766,567</u>

NOTE 5 COSTS OF DIRECT BENEFITS TO DONORS

The value of costs of direct benefits to donors for the year ended December 31, 2019 are as follows and are included under expenses and allocated by function on the statement of activities:

Catering	\$ 97,757
Entertainment	81,599
Office expenses	21,668
Postage	1,455
Printing	8,052
Travel	1,090
Design	5,292
Delivery	533
Consulting	23,192
Total	<u>\$ 240,638</u>

NOTE 6 RETIREMENT PLAN

LBBC maintains a 401(k) plan available to all eligible employees. Employee contributions to the plan are based upon employee compensation, subject to limits prescribed by the IRC. In 2019, LBBC made a nonelective, contribution of 3% of gross salaries for each employee regardless if the employee contributed and then maximum up to 4% match of compensation for all eligible employees. For the year ended December 31, 2019, LBBC's contribution amounted to \$138,939.

**LIVING BEYOND BREAST CANCER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 COMMITMENTS

Operating Leases

LBBC leases office space under an operating lease which expires July 31, 2021. For the year ended December 31, 2019, rent expense under this lease excluding utility expense amounted to \$134,064. LBBC records periodic rental expense over the life of the lease. The deferred rent was \$23,772 as of December 31, 2019.

LBBC also leases equipment under three operating leases. Rental expense on leased equipment was \$19,518 for the year ended December 31, 2019.

At December 31, 2019, the annual future minimum lease payments for all operating leases are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 158,472
2021	87,726
2022	10,158
Total	<u>\$ 256,356</u>

NOTE 8 RELATED PARTIES

LBBC used the audio/visual services of Drive North Digital LLC. The owner of this company is the spouse of the CEO of the organization. The amount paid to the company during 2019 was \$27,858. At December 31, 2019, LBBC owed Drive North Digital LLC \$3,000.

NOTE 9 FAIR VALUE MEASUREMENTS

LBBC uses fair value measurements to record fair value adjustments to investments. For additional information on how LBBC measures fair value refer to Note 1 – Summary of Significant Accounting Policies.

The following table presents LBBC's fair value hierarchy for those investments measured at fair value on a recurring basis as of December 31, 2019.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 4,751,368	\$ -	\$ -	\$ 4,751,368
Common Stock	453,607	-	-	453,607
Exchange-Traded Funds	4,155,921	-	-	4,155,921
Fixed Income	1,405,506	-	-	1,405,506
Total	<u>\$ 10,766,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,766,402</u>

The table above does not include \$310,311 of money funds recorded at cost which approximates fair value.

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NOTE 10 LIQUIDITY

LBBC has \$13,954,203 of financial assets available within one year of the balance sheet date consisting of cash of \$2,664,829, contributions receivable of \$212,661, and short-term investments of \$11,076,713. \$944,275 of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The contributions receivable are subject to time restrictions, but will be collected within one year. LBBC has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$433,850. As part of its liquidity management, LBBC invests cash in excess of daily requirements in various short-term investments including certificates of deposit, money market accounts, and short-term treasury instruments.

