



THE CHICK MISSION, INC.

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The Chick Mission, Inc.
New York, NY

We have audited the accompanying financial statements of The Chick Mission, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2020, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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 The Chick Mission, 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.



Emphasis of Matter

As further discussed in Note 7 to the financial statements, a global pandemic has been declared by the World Health Organization as a result of the rapidly growing outbreak of the coronavirus, COVID-19. The extent and ultimate impact of COVID-19 on the Organization's operating and financial performance cannot be predicted at this time. Our opinion is not modified with respect to this matter.

BDO USA, LLP

August 15, 2021

THE CHICK MISSION, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020

ASSETS

Cash and cash equivalents	\$ 719,996
Investment in certificate of deposit	26,148
Contributions receivable, net	152,188
Accounts receivable	9,998
Prepaid expenses and other assets	21,367
Website, net	21,083
	<hr/>
	\$ 950,780

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 28,500
Grant scholarships payable	61,177
	<hr/>
	89,677

NET ASSETS

Net assets - without donor restrictions	850,766
Net assets - with donor restrictions	10,337
	<hr/>
	861,103
	<hr/>
	\$ 950,780

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

THE CHICK MISSION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	
Contributions	\$ 683,837
Contributions - in-kind	19,948
Interest income and other	753
	<hr/>
TOTAL REVENUES AND SUPPORT WITHOUT DONOR RESTRICTIONS	704,538
	<hr/>
EXPENSES	
Program	339,933
Management and general	76,244
Fundraising	100,374
	<hr/>
TOTAL EXPENSES	516,551
	<hr/>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	187,987
	<hr/>
NET ASSETS - BEGINNING OF YEAR	673,116
	<hr/>
NET ASSETS - END OF YEAR	\$ 861,103

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

THE CHICK MISSION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Supporting Services		
	Program Services	General and Administrative	Fundraising
	2020	2020	2020
Accounting fees	-	\$ 46,000	\$ -
Advertising and marketing	1,311	-	1,851
Amortization	862	288	767
Bank charges and fees	192	3,638	11,383
Charitable contribution	3,000	-	-
Computer and technology	1,451	1,474	11,612
Consulting	49,533	16,400	40,671
Donor gifts	1,094	-	1,094
Event and program supplies	2,005	-	9,607
Fundraising	151	-	19,334
Office supplies	95	3,189	95
Photography and videography	83	-	468
Postage and shipping	32	1,726	67
Program expense	1,604	24	3,425
Scholarships	277,907	-	-
Storage fee	-	3,505	-
Travel	613	-	-
Total expenses	\$ 339,933	\$ 76,244	\$ 100,374
			\$ 516,551

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

THE CHICK MISSION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 187,987
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Amortization of website costs	1,917
Change in operating assets and liabilities:	
Contributions receivable	(144,765)
Accounts receivable	(9,998)
Prepaid expenses and other assets	(21,367)
Website	(23,000)
Inventory	2,674
Accounts payable and accrued expenses	1,500
Grant scholarships payable	35,877
	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	30,825
CASH FLOWS USED IN INVESTING ACTIVITIES	
Purchase of certificate of deposit	<hr/> (26,148)
NET INCREASE IN CASH	4,677
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<hr/> 715,319
CASH AND CASH EQUIVALENTS - END OF PERIOD	<hr/> \$ 719,996 <hr/>

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

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

1. NATURE OF THE ORGANIZATION

The Chick Mission, Inc. (the "Organization") was incorporated in New York, NY in September 2017 as a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Its mission, as a national organization, is to provide resources, support, and education and to help newly diagnosed cancer patients, who are seeking to preserve their fertility before, during and after treatment, navigate a successful outcome.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In the statements of financial position, assets and liabilities are presented in the order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of the Organization's net assets and its support, revenues, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets – with donor restrictions or without donor restrictions – be displayed in a statement of financial position and that the amount of change in each of those classes of net assets be displayed in a statement of activities.

These net asset classes are defined as follows:

Net Assets with Donor Restrictions consist of contributions and other inflows of assets whose use is subject to donor-imposed restrictions that are more specific than broad limits reflecting the nature of the not-for-profit entity, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws or comparable documents. Donor-imposed restrictions may be temporary in nature, such as stipulating that resources may be used only after a specified date or limited to specific programs or services. Certain donor-imposed restrictions are perpetual in nature.

Net Assets without Donor Restrictions consist of contributions and other inflows of assets whose use is not subject to donor-imposed restrictions. This net asset category includes both contributions not subject to donor restrictions and exchange transactions.

Donor or grantor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. The Organization had \$10,337 of net assets with donor restrictions at December 31, 2020. The funds are restricted to residents of Illinois by the Lupin Grant.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Fair Value

Accounting Standards Codification (“ASC”) 820-10, Fair Value Measurement, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the Organization would use in pricing the Organization’s asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Organization are traded. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 – Valuation is based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these assets or liabilities does not entail a significant degree of judgment.

Level 2 – Valuation is based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.

Level 3 – Valuation is based on inputs that are unobservable and reflect management’s best estimate of what market participants would use in pricing the asset or liability developed based on the best information available in these circumstances.

Cash and Cash Equivalents

The Organization maintains cash balances, which at times during the year, exceeded the amount insured by the Federal Deposit Insurance Corporation (“FDIC”). Accounts at each institution are insured by the FDIC up to \$250,000 per depositor. The Organization believes it mitigates its risk by banking with major financial institutions.

For financial statement purposes, the Organization considers cash in money market accounts, cash received and held through electronic payment processors, and securities with original maturities of three months or less to be cash equivalents.

Certificate of Deposit

The Organization holds a certificate of deposit which matures on May 21, 2022 with an interest rate of 1.24% valued at \$26,148 on December 31, 2020.

Contributions Receivable, net

Contributions receivable represent unconditional promises to give. Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Contributions receivable that are due in more than one year are discounted to present value using an annual rate of 3.25%.

Contributions and Other Grants

Unconditional contributions and grants, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. Contributions subject to donor restrictions are recognized in changes in net assets with donor restrictions. When a purpose restriction is satisfied or when a time restriction expires, the contribution is reported as net assets released from restrictions and is recognized in change in net assets without donor restrictions. If a donor-imposed restriction is fulfilled in the same period in which it is received, the contribution is reported as an increase in net assets without donor restrictions.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises are unconditional.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Assets and Services

Donated assets are recorded as contributions at their fair market values at the date of donation. The Organization received donated goods of \$19,948 for the year ended December 31, 2020, which are included in contributions – in-kind on the statement of activities. Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Organization. During the year ended December 31, 2020, the Organization received donated services from volunteers that did not meet the above requirements, and therefore, are excluded from the financial statements.

Grant Scholarships Payable

The Organization awards grant scholarships to qualified recipients as part of its ongoing services. Grant scholarships payable as of December 31, 2020 are due in less than one year.

Website, net

Website development costs are stated at cost and amortized when the asset is placed in service. Amortization is calculated using the straight-line method over the estimated useful life of the asset, which is three years. The Organization capitalizes all software licenses in excess of \$2,500.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of December 31, 2020 there have been no such losses.

Operating Measure

The Organization's operating revenues in excess of expenses include all operating revenues and expenses that are an integral part of its programs and supporting activities, net assets released from donor restrictions to support operating expenditures, when applicable, to support current operating activities. The measure of operations includes support for operating activities from both net assets with and without donor restrictions.

Advertising Costs

The Organization expenses advertising costs as incurred. The Organization incurred \$3,162 of advertising costs for the year ended December 31, 2020.

Revenue Recognition

Transfers of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions. Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions.

Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Organization fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (continued)

The Organization adopted Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers* (Topic 606) on January 1, 2020 using the modified retrospective method applied to all contracts not completed as of the date of adoption. The modified retrospective adoption method requires the Organization to record a transition adjustment for the new revenue standard, if any, as a cumulative effect adjustment to beginning net assets as of the date of adoption. No adjustment to the Organization’s 2020 beginning net assets was required as a result of adopting Topic 606.

The Organization applies Topic 606 to exchange transactions when applicable. All of the Organization’s revenues for the year ended December 31, 2020, which included contributions, in-kind contributions and investment income, were from non-exchange transactions.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications based upon benefits received. The underlying allocation basis used for the statements of functional expenses are estimates of time and effort.

Income Taxes

The Organization follows the accounting standard for uncertainty in income taxes. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, disclosure and transition.

The Organization files informational returns in the federal jurisdiction. With few exceptions, the Organization is no longer subject to federal income tax examinations for fiscal years before 2017.

The Organization believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts paid. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the Organization would classify it as interest expense. The Organization would classify penalties in connection with underpayments of income tax as other expense.

There was no unrelated business income for the year ended December 31, 2020.

Adopted Accounting Pronouncement

Revenue from Contracts with Customers

Effective as of January 1, 2020, the Organization adopted Topic 606. The update outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current recognition guidance, including industry specific guidance. The core principle of the revenue recognition standard is that an entity recognizes revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of this update had no effect on the Organization’s statement of financial position or net income. See *Revenue Recognition* policy above.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements But Not Yet Adopted

Measurement of Credit Losses on Financial Instruments

In June 2016, the Financial Accounting Standards Board ("FASB") issued an ASU which will replace the current incurred loss impairment methodology in U.S. GAAP with a methodology that reflects the expected credit losses. The update is intended to provide financial statement users with more decision-useful information about expected credit losses. Also, the FASB has issued amendments to the update with transition relief intended to improve comparability of financial statement information for some entities, to decrease costs for some financial statement preparers, and to clarify some disclosures. This update is effective on a modified retrospective basis for financial statements issued for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. Early adoption is permitted for fiscal years beginning after December 15, 2018 including interim periods in those fiscal years. The Organization is currently evaluating the effect the update will have on its financial statements.

Contributed Nonfinancial Assets

In September 2020, the FASB issued an accounting standards update which amends guidance for not-for-profit entities that receive contributed nonfinancial assets. The update requires not-for-profits to present contributed nonfinancial assets as a separate line item in the statement of activities, and to disclose information regarding each type of contributed nonfinancial asset. The update is to be applied on a retrospective basis and is effective for annual reporting periods beginning after June 15, 2021, and for interim reporting periods beginning after June 15, 2022. The Organization is currently evaluating the effect the update will have on its financial statements.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization's management meets monthly to address projected cash flows to meet its operational expenditures. The Organization's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$	719,996
Contributions receivable, net		152,188
Accounts receivable		9,998
Total financial assets	\$	882,182
Less amounts unavailable for general expenditures within one year due to:		
Restricted by contract with time		(112,188)
Total financial assets available to management for general expenditures within one year	\$	769,994

At December 31, 2020, the Organization has no board designated net assets.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

4. CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable at December 31, 2020 was \$152,188 and is recorded net of present value on the statements of financial position. The Organization reviews receivables on a regular basis to determine collectability and estimates the portion of the balance that will not be collected, if any. No such amounts were recorded as of December 31, 2020. Contributions receivable that are due in more than one year are discounted to present value using an annual rate of 3.25%.

The following table represents the net present value of contributions receivable:

<u>December 31,</u>	<u>2020</u>
Total Contributions	\$ 160,000
Less: present value adjustment	<u>(7,812)</u>
Net Present Value of Contributions Receivable	<u>\$ 152,188</u>
Amounts due in:	
Within one year	\$ 40,000
Two to four years	<u>120,000</u>
Total	<u>\$ 160,000</u>

5. WEBSITE, NET

Website, net consist of the following as of December 31, 2020:

Website development costs	\$ 23,000
Less: accumulated amortization	<u>(1,917)</u>
	<u>\$ 21,083</u>

Amortization expense amounted to \$1,917 for the year ended December 31, 2020.

6. RELATED PARTY TRANSACTIONS

The Organization receives donations from board members, who are considered related parties to the Organization. For the year ended December 31, 2020, the Organization received approximately \$103,000 of donations from related parties.

7. RISK MANAGEMENT

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus ("COVID-19") a global pandemic and recommended containment and mitigation measures worldwide. The Organization cannot reasonably estimate the length or severity of this pandemic; however, economic uncertainties have arisen which could have a material adverse effect on the Organization's financial position, results of operations and cash flows. The Organization believes they are taking appropriate actions to mitigate the negative impact.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law in response to the COVID-19 pandemic. The CARES Act includes many measures to provide relief to companies. The Organization has not taken advantage of any such measures.

THE CHICK MISSION, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

8. CONCENTRATIONS

For the year ended December 31, 2020, five vendors accounted for approximately 60% of grants payable.

For the year ended December 31, 2020, one donor accounted for approximately 100% of contributions receivable.

9. COMMITMENTS

In February 2020, the Organization signed a fundraising service contract with Donorly to pay them \$7,500 per month from March 1, 2020 – May 30, 2020 and \$4,000 per month from June 1, 2020 – February 28, 2021. In February 2021, this agreement was amended and the Organization is to pay Donorly \$10,250 per month beginning February 17, 2021 through February 28, 2022.

10. SUBSEQUENT EVENT

The Organization's management has performed subsequent event procedures through August 15, 2021, which is the date the financial statements were available to be issued, and there were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.