

**Jessica June Children's Cancer Foundation, Inc.  
Financial Statements  
and Independent Auditors' Report  
(With Supplementary Information)**

**For the Year Ended December 31, 2019**

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and Independent Auditors' Report  
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**CASELLS & ASSOCIATES, C.P.A., P.A.**  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Jessica June Children's Cancer Foundation, Inc.  
Ft. Lauderdale, Florida

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

We have audited the accompanying financial statements of Jessica June Children's Cancer Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2019, and the related statements of activities 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Member of:

Florida Institute of Certified Public Accountants  
American Institute of Certified Public Accountants  
AICPA Employee Benefit Plan Audit Quality Center  
AICPA Government Audit Quality Center

### **Mailing Address:**

P.O. Box 820297  
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### **Office Address:**

3600 Red Road, Suite 407  
Miramar, FL 33025

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jessica June Children’s Cancer Foundation, Inc. as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Cassells & Associates, CPA P.A.*

Cassells & Associates, CPA, P.A.  
Certified Public Accountants  
Miramar, Florida  
May 27, 2020

**Jessica June Children's Cancer Foundation, Inc.**  
**Statement of Financial Position**  
**For the Year Ended December 31, 2019**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents (Note 1)	\$	118,060
Investment on Certificate of Deposits (Note 1, Note 4 & Note 8)		561,506

<b>TOTAL CURRENT ASSETS</b>		<u>679,566</u>
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**OTHER ASSETS**

Beneficial Interest in Assets Held at the Community Foundation of Broward (Note 7 & Note 8)		<u>10,000</u>
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<b>TOTAL OTHER ASSETS</b>		<u>10,000</u>
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<b>TOTAL ASSETS</b>	<b>\$</b>	<u><u>689,566</u></u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable and Accrued Expenses	\$	879
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<b>TOTAL CURRENT LIABILITIES</b>		<u>879</u>
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**NET ASSETS**

Without Donor Restrictions		<u>688,687</u>
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<b>TOTAL NET ASSETS</b>		<u>688,687</u>
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<u><u>689,566</u></u>
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The Accompanying Notes Are an Integral Part of These Statements

**Jessica June Children's Cancer Foundation, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

<b>GRANTS, SUPPORT AND REVENUES:</b>	
Grants	\$ 88,405
Contributions	105,994
Sepcial Event	238,241
Interest Income	8,119
	_____
Total Grant, Support and Revenue Without Donor Restrictions	440,759
 <b>EXPENSE:</b>	
Program Services	256,302
Support Services	7,445
	_____
Total Expense	263,747
Increase (Decrease) in Net Assets Without Donor Restrictions	177,012
NET ASSETS AT BEGINNING OF YEAR WITHOUT DONOR RESTRICTIONS	511,675
	_____
NET ASSETS AT END OF YEAR WITHOUT DONOR RESTRICTIONS	\$ 688,687

The Accompanying Notes Are an Integral Part of These Statements

**Jessica June Children's Cancer Foundation, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2019**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Increase (Decrease) in Net Assets	\$ 177,012
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
(Increase) Decrease in:	
Accounts Receivable	
Increase (Decrease) in:	
Accounts Payable & Accrued Expense	74
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 177,086</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Investments in Endowment Fund	(10,000)
Investments in Certificate of Deposits	\$ (258,042)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>\$ (268,042)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>\$ (90,956)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR</b>	<b>209,016</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 118,060</b>

The Accompanying Notes Are an Integral Part of These Statements

**Jessica June Children's Cancer Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Business Activity:**

Jessica June Children's Cancer Foundation, Inc. (the "Organization"), was organized as a non-profit organization and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Organization was formed in 2004 for the purpose to provide emergency financial assistance, hope, compassion and love to children and family members fighting childhood cancer.

**Basis of Presentation:**

Financial Statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification ("ACS") which establishes FASB ASC as the source of authoritative U.S. accounting and reporting standards for nongovernmental entities. The Organization's resources are classified and reported in the accompanying financial statements as separate classes of net assets based on the existence or absence of donor-imposed restrictions as follows:

**Restricted and Unrestricted Revenue Support:**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Organization recognizes only those contributed services, which are provided by individuals possessing "specialized skills".

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted assets and reported in the Statement of Activities as net assets released from restrictions.

**Cash and Cash Equivalents:**

Cash and cash equivalents include bank accounts as well as certificates of deposit purchased with a maturity of three months or less. Interest income on the certificates of deposit is recorded as income when earned. At December 31, 2019, cash and cash equivalents included \$172,060 held in commercial banks.

**Concentration of Credit Risk:**

The Organization occasionally maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions. At December 31, 2019, all accounts were below the federally insured limits.

**Income Taxes - Uncertain Tax Positions:**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Organization's federal Exempt Organization Business Income Tax Returns (Form 990) are subject to examination by the IRS, generally for three years after they were filed.

**Jessica June Children's Cancer Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**NOTE 2 - NEW ACCOUNTING PRONOUNCEMENT**

On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. Faith-Hope-Love Charity, Inc. has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of Faith-Hope-Love Charity, Inc.'s financial statements:

- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a new disclosure about liquidity and availability of resources

**NOTE 3 - SOURCE OF REVENUE**

**Grants:**

The Organization records funding from grants in the period that the grant was awarded. Classification of the grants as unrestricted or temporarily restricted is based upon any grantor stipulations that limit the use of the grants. Grants that are temporarily restricted by the donor are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

**NOTE 4 - INVESTMENTS**

The investments consist of cash and certificates of deposit, with maturity date of over 3 months, and are presented in the financial statements at fair value based on quoted prices in active markets (all Level 1 measurements). Market risk could occur and is dependent on the future changes in market prices of the various investments held. An analysis of the investments held as of December 31, 2019 is as follows:

Investments are comprised of the following:

	Fair Value	Cost
Cash	\$ 94	\$ 94
Certificates of Deposits, maturing Within one year	561,412	561,000
	\$ 561,506	\$ 561,094

**Jessica June Children’s Cancer Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2019**

**NOTE 5 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

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

Financial assets at year-end	\$ 679,566
Less those unavailable for general expenditures within one year, due to restrictions:	-
Financial assets available to meet cash needs for general expenditure within one year	\$ 679,566

**NOTE 6 - FUNCTIONAL ALLOCATION OF EXPENSE**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**NOTE 7 - ENDOWMENT FUND**

The Organization has transferred assets to the Community Foundation of Broward (the “Foundation”) which is holding them as an endowed component fund (“Fund”) for the benefit of the Organization.

The Organization has granted the Foundation variance power which gives the Foundation’s Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Foundation’s investment and spending policies which currently result in a distribution to the Organization of 5 percent of the 12-quarter weighted average of the fair market value of the Fund.

The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held at the Community Foundation of Broward in the statement of financial position and reports distributions received as investment income.

Changes in the value of the Fund are reported as gains or losses in the statement of activities. Changes in the Fund for the year ended December 31, 2019 are as follows:

Balance at December 31, 2018	\$	-
Additional amounts invested in Fund		10,000
Share of appreciation of funds		-
Distribution Received		-
Balance at December 31, 2019	\$	10,000

**Jessica June Children's Cancer Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2019**

**NOTE 8 – FAIR VALUE MEASUREMENT**

The following is a summary of assets held at fair value: At December 31, 2019:

Fair Value Measurement Using:				
Description	Total	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificate of Deposit	\$ 561,506	\$ 561,506		
Beneficial Interest in Assets Held at Community Foundation of Broward	\$ 10,000			\$10,000

The beneficial interest in assets held at the Community Foundation of Broward has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments

**NOTE 9 - SUBSEQUENT EVENTS**

Subsequent to December 31, 2019 the Organization contributed an additional \$40,000 to the endowment fund.

The Organization has evaluated subsequent events through May 27, 2020, the date which the financial statements were available to be issued.

## **Supplementary Information**

**Jessica June Children's Cancer Foundation, Inc.**  
**Schedule of Functional Expense**  
**For the Year Ended December 31, 2019**

	<b>PROGRAM SERVICES</b>	<b>SUPPORT SERVICES</b>	<b>TOTAL</b>
Program Expense	\$ 103,162	\$ -	\$ 103,162
Personel Cost	70,709	3,722	74,431
Event Expense	55,264	-	55,264
Office and General	10,094	2,524	12,618
Legal and Professional	8,712	-	8,712
Rent	3,500	-	3,500
Auto	3,397	849	4,246
Telephone	1,197	299	1,496
Insurance	203	51	254
Advertising and Marketing	64	-	64
<b>TOTAL EXPENSES</b>	<b>\$ 256,302</b>	<b>\$ 7,445</b>	<b>\$ 263,747</b>

The Accompanying Notes Are an Integral Part of These Statements