

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

For the Year Ended December 31, 2020

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

For the Year Ended December 31, 2020

Table of Contents

INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to the Financial Statements	6-9
SUPPLEMENTARY INFORMATION	
Schedule of Functional Expense	10



CASSELLS & ASSOCIATES, C.P.A., P.A.
Certified Public Accountants

Serving the following states:
FL, GA, NC, SC, TX, KY, MS, CT and more...

Tel: 954.362.1811
Tel: 888.362.1811
Fax: 954.889.5832
www.cassellsandassociates.com

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, 2020, 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
Pembroke Pines, FL 33082

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, 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.

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 11, 2021

Jessica June Children's Cancer Foundation, Inc.
Statement of Financial Position
For the Year Ended December 31, 2020

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents (Note 1)	\$	785,952
------------------------------------	----	---------

TOTAL CURRENT ASSETS	\$	785,952
-----------------------------	-----------	----------------

OTHER ASSETS

Beneficial Interest in Assets Held at the Community Foundation of Broward (Note 6 & Note 7)	\$	109,038
---	----	---------

TOTAL OTHER ASSETS	\$	109,038
---------------------------	-----------	----------------

TOTAL ASSETS	\$	894,990
---------------------	-----------	----------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$	2,238
Payroll Protection Program Loan (Note 5)		14,404

TOTAL CURRENT LIABILITIES	\$	16,642
----------------------------------	-----------	---------------

NET ASSETS

With Donor Restrictions	\$	109,038
Without Donor Restrictions		769,310

TOTAL NET ASSETS	\$	878,348
-------------------------	-----------	----------------

TOTAL LIABILITIES AND NET ASSETS	\$	894,990
---	-----------	----------------

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, 2020

GRANTS, SUPPORT AND REVENUES:	
Grants	\$ 316,288
Contributions	73,718
Other Income	3,496
Interest Income	17,625

Total Grant, Support and Revenue Without Donor Restrictions	\$ 411,127
 EXPENSE:	
Program Services	\$ 211,678
Support Services	9,788

Total Expense	\$ 221,466
Increase (Decrease) in Net Assets Without Donor Restrictions	\$ 189,661
NET ASSETS AT BEGINNING OF YEAR WITHOUT DONOR RESTRICTIONS	688,687
Transfer to Net Assets With Donor Restrictions	(109,038)
NET ASSETS AT END OF YEAR WITHOUT DONOR RESTRICTIONS	\$ 769,310

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, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase (Decrease) in Net Assets	\$ 189,661
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Increase (Decrease) in:	
Accounts Payable & Accrued Expense	<u>1,359</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 191,020</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investments in Endowment Fund	(99,038)
Decrease in Investments in Certificate of Deposits	<u>\$ 561,506</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>\$ 462,468</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from Payroll Protection Program Loan	<u>\$ 14,404</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>\$ 14,404</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$ 667,892</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>118,060</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 785,952</u></u>

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, 2020

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 of providing emergency financial assistance and supportive care services to families 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, 2020, cash and cash equivalents included \$785,952 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, 2020, the total above the federally insured limits was \$319,602.

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, 2020

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 - 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 3 - 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	\$ 785,952
Less those unavailable for general expenditures within one year, due to restrictions:	_____
Financial assets available to meet cash needs for general expenditures. within one year	<u>\$ 785,952</u>

NOTE 4 - 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 5 - PAYCHECK PROTECTION PROGRAM

On May 5, 2020, The Company (the "Borrower"), was granted a loan (the "Loan") from a bank in the aggregate amount of \$14,404, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The Loan, which was in the form of a note dated May 5, 2020 issued by the Borrower, matures on May 5, 2022, and bears interest at a rate of 1.00% per annum, The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage interest, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Company intends to use the entire loan amount for qualifying expenses and request full forgiveness of the note. The total outstanding at December 31, 2020 was \$14,404.

Jessica June Children's Cancer Foundation, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 6 - 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, 2020 are as follows:

Balance at December 31, 2019	\$	10,000
Additional amounts invested in Fund		90,000
Share of appreciation of funds		9,705
Administrative Fees		(667)
Distribution Received		-
Balance at December 31, 2020	\$	109,038

NOTE 7 - FAIR VALUE MEASUREMENT

The following is a summary of assets held at fair value at December 31, 2020:

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)
Beneficial Interest in Assets Held at Community Foundation of Broward	\$ 109,038			\$109,038

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.

Jessica June Children's Cancer Foundation, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 8 - SUBSEQUENT EVENTS

On March 9, 2021, the full amount of the Payroll Protection Program Loan (Note 7) was forgiven by the SBA and paid back to the lender of record.

The Organization has evaluated subsequent events through May 11, 2021, 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, 2020

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	<u>TOTAL</u>
Program Expense	\$ 110,734	\$ -	\$ 110,734
Personel Cost	65,687	3,457	69,144
Event Expense	435	-	435
Office and General	21,938	5,484	27,422
Legal and Professional	9,495	-	9,495
Auto	2,784	696	3,480
Telephone	402	100	502
Insurance	203	51	254
TOTAL EXPENSES	<u>\$ 211,678</u>	<u>\$ 9,788</u>	<u>\$ 221,466</u>

The Accompanying Notes Are an Integral Part of These Statements