

**FOR PETE'S SAKE
CANCER RESPITE FOUNDATION**

FINANCIAL STATEMENTS

YEARS ENDED June 30, 2021 and 2020

(See Independent Auditors' Report)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
For Pete's Sake Cancer Respite Foundation
Plymouth Meeting, PA

Report on Financial Statements

We have audited the accompanying financial statements of For Pete's Sake Cancer Respite Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 For Pete's Sake Cancer Respite Foundation as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Bee, Bergvall and Company, P.C.
Certified Public Accountants

Warrington, PA
December 27, 2021

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Statements of Financial Position

June 30, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Current Assets		
Cash and cash equivalents	\$ 700,847	\$ 256,050
Board designated reserve cash	567,329	586,222
Board designated reserve investments	825,047	479,399
Pledges receivable, net	92,482	138,447
Other current assets	24,910	9,992
Total Current Assets	<u>2,210,615</u>	<u>1,470,110</u>
Restricted Assets		
Restricted cash	5,962	13,039
Capital receivable, net	28,204	-
Endowment investments	863,319	855,272
Endowment receivable, net	212,477	215,504
Total Restricted Assets	<u>1,109,962</u>	<u>1,083,815</u>
Property and equipment, net	269,911	290,230
Beneficial interest in a remainder trust	<u>218,307</u>	<u>228,116</u>
 TOTAL ASSETS	 <u>\$ 3,808,795</u>	 <u>\$ 3,072,271</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable and accrued expenses	\$ 6,177	\$ 7,142
PPP Loan Payable	<u>113,412</u>	<u>158,700</u>
Total Current Liabilities	<u>119,589</u>	<u>165,842</u>
Net Assets		
Without donor restrictions		
Undesignated	589,336	133,648
Board-designated operating reserve	105,000	105,000
Board-designated endowment	1,392,376	1,065,898
Investment in property and equipment	269,911	290,230
Total Without donor restrictions	<u>2,356,623</u>	<u>1,594,776</u>
With donor restrictions		
Purpose restrictions	256,787	241,155
Perpetual in nature-endowment	<u>1,075,796</u>	<u>1,070,498</u>
Total With donor restrictions	<u>1,332,583</u>	<u>1,311,653</u>
Total Net Assets	<u>3,689,206</u>	<u>2,906,429</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 3,808,795</u>	 <u>\$ 3,072,271</u>

The accompanying notes are an integral part of these financial statements

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Statements of Activities

For the Years Ended June 30, 2021 and 2020

	2021			Total
	Without Donor Restrictions	With Donor		
		Program Restrictions	Endowment Funds	
Support and Revenues:				
Support:				
Contributions	\$ 1,284,862	\$ 38,230	\$ -	\$ 1,323,092
Contributions in-kind	245,198	-	-	245,198
Total Contributions	1,530,060	38,230	-	1,568,290
Present value discount	3,956	-	5,548	9,504
Net Contributions	1,534,016	38,230	5,548	1,577,794
Revenues:				
Special events revenue:				
Registrations	261,297	-	-	261,297
Contributions in-kind	62,230	-	-	62,230
Total special events revenue	323,527	-	-	323,527
Less cost of direct benefit to donors	(136,655)	-	-	(136,655)
Net special events revenue	186,872	-	-	186,872
Investment income	293,629	-	-	293,629
Gain (loss) on sale of investments	54,660	-	-	54,660
Change in value of beneficial interest	-	(9,809)	-	(9,809)
Net assets released from restrictions	13,289	(13,039)	(250)	-
Total Support and Revenues	2,082,466	15,382	5,298	2,103,146
Expenses:				
Program services	1,007,417	-	-	1,007,417
Support services:				
Management and general	58,635	-	-	58,635
Fundraising	254,317	-	-	254,317
Total expenses	1,320,369	-	-	1,320,369
Change in net assets	762,097	15,382	5,298	782,777
Net assets at beginning of year	1,594,776	241,155	1,070,498	2,906,429
Net assets at end of year	\$ 2,356,873	\$ 256,537	\$ 1,075,796	\$ 3,689,206

(continued)

	2020			
	Without	With Donor Restrictions		Total
	Restrictions	Program	Endowment	
		Restrictions	Funds	
Support and Revenues:				
Support:				
Contributions	\$ 1,385,930	\$ -	\$ -	\$ 1,385,930
Contributions in-kind	443,604	-	-	443,604
Total Contributions	1,829,534	-	-	1,829,534
Present value discount	(10,793)	-	13,389	2,596
Net Contributions	1,818,741	-	13,389	1,832,130
Revenues:				
Special events revenue:				
Registrations	402,909	-	-	402,909
Contributions in-kind	110,433	-	-	110,433
Total special events revenue	513,342	-	-	513,342
Less cost of direct benefit to donors	(294,637)	-	-	(294,637)
Net special events revenue	218,705	-	-	218,705
Investment income	80,713	-	-	80,713
Change in value of beneficial interest	-	(3,303)	-	(3,303)
Net assets released from restrictions	31,664	(31,664)	-	-
Total Support and Revenues	2,149,823	(34,967)	13,389	2,128,245
Expenses:				
Program services	1,624,505	-	-	1,624,505
Support services:				
Management and general	106,026	-	-	106,026
Fundraising	380,968	-	-	380,968
Total expenses	2,111,499	-	-	2,111,499
Change in net assets	38,324	(34,967)	13,389	16,746
Net assets at beginning of year	1,556,452	276,122	1,057,109	2,889,683
Net assets at end of year	\$ 1,594,776	\$ 241,155	\$ 1,070,498	\$ 2,906,429

The accompanying notes are an integral part of these financial statements

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Statements of Functional Expenses

For the Years Ended June 30, 2021 and 2020

	2021						Total
	Program		Management and General		Fundraising		
	Ordinary	In-Kind	Ordinary	In-Kind	Ordinary	In-Kind	
Accommodations	\$ 111,776	\$ 114,505	\$ -	\$ -	\$ -	\$ -	\$ 226,281
Bad debts	-	-	-	-	20,357	-	20,357
Bank service charges	12	-	-	-	19,212	-	19,224
Car rental	3,373	-	-	-	-	-	3,373
Depreciation	28,885	-	1,740	-	4,576	-	35,201
Dues and subscriptions	5,415	-	2,956	-	3,259	-	11,630
Employee benefits	69,042	-	4,665	-	19,593	-	93,300
Employment taxes	28,795	-	1,946	-	8,172	-	38,913
Facility repairs and maintenance	15,591	-	99	1,989	398	-	18,077
Fundraising expenses	-	-	-	-	10	-	10
Gas expense	4,401	-	-	-	-	-	4,401
Insurance	7,738	-	2,733	-	-	-	10,471
Licenses and fees	1,484	-	908	-	1,508	-	3,900
Limousine travel	-	329	-	-	-	-	329
Marketing	-	14,536	25	-	2,622	-	17,183
Meetings	2,370	-	109	515	766	-	3,760
Miscellaneous	-	-	190	1,700	9	-	1,899
Patient stipend	15,750	-	-	-	-	-	15,750
Payroll service fees	9,097	-	473	-	2,332	-	11,902
Postage and delivery	5,994	-	317	-	4,710	-	11,021
Printing and reproduction	4,949	-	330	-	4,606	-	9,885
Professional fees	3,619	18,235	8,388	-	893	-	31,135
Program ancillary services	45,648	20,308	-	-	-	-	65,956
Program support	16	544	-	-	-	-	560
Property tax	929	-	-	-	-	-	929
Rent expense	-	35,120	-	2,341	-	9,365	46,826
Salaries and wages	350,180	18,648	23,661	-	101,501	-	493,990
Supplies	4,308	-	195	-	965	-	5,468
Technology and website	32,262	5,438	1,226	283	19,193	1,342	59,744
Telephone	10,485	-	632	-	2,559	-	13,676
Travel	422	-	470	-	39	-	931
Utilities	17,213	-	744	-	2,974	-	20,931
Total expenses by function	779,754	227,663	51,807	6,828	220,254	10,707	1,297,013
Special events expense (not benefiting donors directly)	-	-	-	-	23,356	-	23,356
Total expense included in the expense section on the statement of activities	\$ 779,754	\$ 227,663	\$ 51,807	\$ 6,828	\$ 243,610	\$ 10,707	\$ 1,320,369

(continued)

	2020						
	Program		Management and General		Fundraising		Total
	Ordinary	In-Kind	Ordinary	In-Kind	Ordinary	In-Kind	
Accommodations	\$ 94,581	\$ 151,045	\$ -	\$ -	\$ -	\$ -	\$ 245,626
Airline travel	52,416	1,445	-	-	-	-	53,861
Bad debts	-	-	-	-	12,639	-	12,639
Bank service charges	-	-	-	-	24,197	-	24,197
Car rental	27,053	-	-	-	-	-	27,053
Conference and training	133	-	11	-	90	-	234
Depreciation	29,302	-	1,492	-	4,820	-	35,614
Dues and subscriptions	3,912	-	1,269	-	1,354	-	6,535
Employee benefits	93,064	-	7,497	-	33,237	-	133,798
Employment taxes	46,718	-	3,337	-	16,685	-	66,740
Facility repairs and maintenance	16,308	-	5	-	21	-	16,334
Fundraising expenses	-	-	-	-	1,422	-	1,422
Gas expense	6,389	-	-	-	-	-	6,389
Insurance	6,517	-	7,417	-	-	-	13,934
Licenses and fees	1,761	-	1,761	-	2,356	-	5,878
Limousine travel	-	2,161	-	-	-	-	2,161
Marketing	27	75,000	1,252	-	465	-	76,744
Meetings	2,319	-	175	-	1,173	-	3,667
Miscellaneous	-	-	746	-	117	-	863
Patient stipend	69,677	-	-	-	-	-	69,677
Payroll service fees	-	-	21,955	-	-	-	21,955
Postage and delivery	6,719	-	290	-	3,714	-	10,723
Printing and reproduction	5,284	-	309	-	9,800	-	15,393
Professional fees	14,478	42,930	10,350	-	11,282	-	79,040
Program ancillary services	73,661	9,979	-	-	-	-	83,640
Program support	24,026	57,822	-	-	-	-	81,848
Property taxes	883	-	-	-	-	-	883
Rent expense	-	35,120	-	2,342	-	9,365	46,827
Salaries and wages	552,256	54,100	38,597	-	197,234	-	842,187
Supplies	11,977	-	980	-	4,090	-	17,047
Technology and website	22,931	623	4,017	623	18,084	1,049	47,327
Telephone	9,130	-	560	-	2,239	-	11,929
Travel	1,506	-	341	-	428	-	2,275
Utilities	21,252	-	700	-	2,796	-	24,748
Total expenses by function	1,194,280	430,225	103,061	2,965	348,243	10,414	2,089,188
Special events expense (not benefiting donors directly)	-	-	-	-	22,211	100	22,311
Total expense included in the expense section on the statement of activities	<u>\$ 1,194,280</u>	<u>\$ 430,225</u>	<u>\$ 103,061</u>	<u>\$ 2,965</u>	<u>\$ 370,454</u>	<u>\$ 10,514</u>	<u>\$ 2,111,499</u>

The accompanying notes are an integral part of these financial statements

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Statements of Cash Flows

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 782,777	\$ 16,746
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	35,201	35,614
Realized (gain) loss on sale of investments	(54,660)	-
(Increase) decrease in:		
Pledges receivable	20,788	(37,387)
Other current assets	(14,918)	27,444
Beneficial Interest in a Remainder Trust	9,809	3,303
(Decrease) increase in:		
Accounts payable and accrued expenses	(965)	(32,311)
Net Cash Provided by Operating Activities	<u>778,032</u>	<u>13,409</u>
Cash Flows from Investing Activities:		
Purchase of investments	(499,817)	(553,635)
Sale of investments	200,782	126,418
Purchase of property and equipment	(14,882)	(4,632)
Net Cash Provided by (Used in) Investing Activities	<u>(313,917)</u>	<u>(431,849)</u>
Cash Flows from Financing Activities:		
PPP loan payable	(45,288)	158,700
Net Cash Provided by (Used in) Financing Activities	<u>(45,288)</u>	<u>158,700</u>
Net increase (decrease) in cash and cash equivalents	418,827	(259,740)
Cash and cash equivalents at beginning of year	<u>855,311</u>	<u>1,115,051</u>
Cash and cash equivalents at end of year	<u>\$ 1,274,138</u>	<u>\$ 855,311</u>
Cash and cash equivalents	\$ 700,847	\$ 256,050
Board designated reserve cash	567,329	586,222
Restricted cash	5,962	13,039
	<u>\$ 1,274,138</u>	<u>\$ 855,311</u>

The accompanying notes are an integral part of these financial statements

FOR PETE’S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies

This summary of significant accounting policies of For Pete’s Sake Cancer Respite Foundation (“FPS”) is presented to assist in the understanding of FPS’s financial statements. The financial statements and notes are representations of FPS’s management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (“GAAP”) and have been consistently applied in the preparation of the financial statements.

Nature of Operations:

FPS was formed under the laws of Pennsylvania in 1999 and is a tax-exempt organization as defined by Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code (IRC) that is publicly supported and, therefore, not a private foundation. In 2007, FPS was the 34th not-for-profit organization in Pennsylvania to be awarded the Seal of Excellence for successfully completing the Pennsylvania Association of Nonprofit Organizations (PANO) *Standards for Excellence* program. *Standards for Excellence* are based on fundamental values such as honesty, integrity, fairness, respect, trust, responsibility, and accountability. In December 2020, FPS was re-accredited by PANO. We are proud to be one of only 200 nonprofits nationwide with this accreditation.

FPS was created for the purpose of providing respite and relief to struggling young adult cancer patients, thereby alleviating the burdens of the sick and distressed and providing the patient and family with the means necessary to embrace this devastating diagnosis and address the emotional, psycho-social, physical, financial, and spiritual trauma associated with cancer. Candidates are nominated by oncology professionals from medical institutions such as Lehigh Valley, University of Pennsylvania Abramson Cancer Center, MD Anderson Cancer Center, Temple Health and Montefiore Health. There have been over 820 healthcare professionals at 260 cancer centers who have nominated at least one patient to our program since our inception.

Our Cancer Respite Program includes two forms, the Travel Respite and the Staycation Respite. Both experiences are transformative and address the emotional, psycho-social, physical, financial, and spiritual traumas that families confront with a cancer diagnosis. Our Cancer Respite Program complements traditional treatment and the respite experience plays a crucial role in the patient continuum of care.

Patients (ages 24-55 and nominated by a member of their oncology team), caregivers and their children receive a Travel Respite experience at Woodloch Resort, a valued Travel Partner of FPS, or if they are unable to travel due to advanced stage cancer, they receive a Staycation Respite experience in their own home. Recipients receive a Take a Break Box, containing a generous cash stipend, toiletries, writing journals, materials to encourage family communication and inspirational books to help make the respite meaningful emotionally and spiritually.

FOR PETE’S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Nature of Operations: (continued)

After a respite experience, FPS continues to provide priceless emotional support as we partner with community members and our families to create small “mini breaks” throughout the year.

Preference is given to patients who reside in Pennsylvania, New Jersey, Delaware, New York and Maryland. The volunteer-based Patient Program Committee that meets three times annually is dedicated to the continued oversight of the program.

Key Program statistics are as follows: *please note program suspension on March 13, 2020, due to pandemic and ongoing pandemic response, especially in the travel industry:

	<u>2021</u>	<u>2020</u>
Patients served	102	190
Nominations received	99	165
Respite experiences provided	52	124
Post respite outreach	14,810	17,778
Ancillary support contacts	5,388	3,869
Program inquiries	290	496
Total travelers, including patients	223	438
Total served	372	596

Families in the FPS respite program are supported in several ways. Based upon the health of the patient, they either receive a Travel Respite or a Staycation Respite. Both are tailored to the family and their relevant needs as determined by the nominator and the FPS program coordinator via conversations with the patient and caregiver. Following the Respite or Staycation, FPS continues to provide ancillary support to the patient, caregiver, and family.

On their respite experience, patients and their loved ones travel to Woodloch Resort in the Pocono Mountains. Our model for this year and the future is to provide respite for 8-10 families each month during the same week at Woodloch Resort, Travel Partner of FPS. These families are encouraged to connect while on respite through optional group activities facilitated by FPS staff. We are able to supplement additional stays thanks to the generosity of additional travel partners in New Jersey.

Our respite programs encourage a patient’s interaction with FPS, facilitate links to informational and third-party resources, and help patients overcome the loneliness, fear, anxiety, and isolation that accompany the cancer diagnosis. FPS continues to provide ancillary services to all patients and their families to help them through the crisis of cancer, and our monthly Traveler Engagement events, annual Traveler Reception, a ball game outing and other mini-breaks allow us to reach out to several hundred families throughout the year.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Nature of Operations: (continued)

Additionally, FPS has added the Carry On Club to provide support to all surviving spouses and/or caregivers of our deceased travelers. Furthermore, social media and the internet has allowed FPS to reach over 14,800 people. These touchpoints also include Facebook, a patient self-care newsletter sent bi-monthly via email, and cancer care books mailed post-respite. With the help of many volunteers and FPS program coordinators, outreach to the patients, caregivers, and loved ones continues after the travel and staycation respite experiences. This allows FPS to provide assistance or support for whatever need arises for our families.

The demand for our program is great, and FPS continues to meet the growing needs of adult cancer patients, caregivers, and children. FPS is supported primarily by proceeds of special events, organized and executed by volunteer committees, and general public support from corporations, foundations, and individuals. To supplement the generosity of our annual donors, FPS has established the Healing, Hope and Happiness Endowment Fund to create sustainability and allow for the growth of our program.

Evaluation of the program is assessed in part from statistics derived from the patients' evaluation and impact study, and an independent evaluation by the patient's nominator. Since measurement began, the overall rating of the improved ability to cope with cancer is 3.88 on a scale of one to four. Furthermore, one hundred percent of all nominating professionals recognize post-respite improvement in the patient's and the patient's family/caregiver's ability to cope with cancer. Specifically, oncologists report a 51% increase in the patient's coping ability, a 44% increase in the caregiver's coping ability, and a 48% increase in the children's coping ability.

For a detailed analysis of the depth of our outcome measures, please visit our website at www.takeabreakfromcancer.org.

FPS has established relationships with over 260 cancer centers, and all patients must be nominated by a member of their oncology team. This nomination system allows for the triage of patients by those most informed in the treatment and helps preserve the integrity of the FPS program. A detailed list of patient and center demographics, along with a view of the outcome measures, is available on the FPS website.

In the past, FPS has been supported primarily by proceeds of special events, organized and executed by volunteer committees, and general public support from corporations, foundations, and individuals. This year FPS hosted the Golf outing, Cornhole tournament and a virtual event. With the inability to gather inside, FPS hosted a very successful virtual event that can be viewed on LoveFPS.org. FPS also maintains 200 monthly donors and, since its inception in 1999, almost 30,000 donors have invested in our mission by contributing gifts of time, talent and treasure.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Nature of Operations: (continued)

The FPS website has been a useful tool for providing information and impactful stories about the mission and program. In FY21, FPS had a total of 72,416 pageviews at the www.takeabreakfromcancer.org website. In addition to the pageviews, there were 28,266 unique users.

FPS posts all evaluation questions and scores, Internal Revenue Service Form 990, and audited financial statements on www.takeabreakfromcancer.org for complete transparency of its operations. Information is also available by contacting the office and visiting www.guidestar.org, Charity Navigator and GreatNonprofits.org for stories and accreditation information. FPS also places emphasis on its strategic plan and carefully monitors its progress against the plan with key performance indicators. Each month, FPS prepares a scorecard that highlights relevant KPI's in advancement, finance, and program. These materials are all available by calling the FPS office.

Basis of Presentation:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this basis, revenues are recognized when earned and expenses are recognized when incurred. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

During fiscal year 2014, FPS received a donation in the form of an irrevocable Charitable Remainder Unitrust. In each taxable year of the trust and during the life of the donor the trustees will pay to the donor an amount equal to 5% of the net fair value of the assets of the trust. Upon the death of the donor, the trustees will distribute to FPS 40% of the then principal and income of the trust.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Basis of Presentation: (continued)

As of June 30, 2021 and 2020, the fair value of FPS's portion of its beneficial interest in the charitable remainder trust was \$218,307 and \$228,116, respectively, recorded as an asset on the Organization's statement of financial position. During the life of the donor, earnings on the trust assets will be recorded at the beginning of each year as a change in the beneficial interest in a charitable remainder trust on the statement of activities with a corresponding change in the asset.

Use of Estimates in Financial Statements:

Management uses estimates and assumptions in preparing the financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from those estimates.

Cash and Cash Equivalents:

FPS considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Pledges Receivable:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Promises to give are recorded at fair value, which is estimated as net realizable value if expected to be collected in one year and discounted future cash flows if expected to be collected in more than one year.

Contributions to be received after one year have been discounted at 2%. Conditional promises to give are not included as support until the conditions are substantially met. Pledges are reported net of an allowance for doubtful collections of \$2,000 for each of the years ended June 30, 2021 and 2020. Endowment pledges are reported net of an allowance for doubtful collections of \$8,000 for each of the years ended June 30, 2021 and 2020. The allowance for doubtful accounts is based on past experience.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Pledges Receivable: (continued)

Accounts are charged against the allowance when they are determined to be uncollectible. Unconditional promises to give at June 30, 2021 and 2020 were as follows:

NOTE 1 Pledges Receivable

	<u>2021</u>	<u>2020</u>
Receivable in less than one year	\$ 88,877	\$ 135,607
Receivable in one to five years	<u>264,439</u>	<u>248,000</u>
Total unconditional promises to give	353,316	383,607
Less: discount to net present value	(10,153)	(19,656)
Allowance for doubtful accounts	<u>(10,000)</u>	<u>(10,000)</u>
Net unconditional promises to give	<u>\$ 333,163</u>	<u>\$ 353,951</u>

Property and Equipment:

Property and equipment are stated at acquisition cost or fair value on the date of a donated gift. Major additions and betterments are charged to the asset accounts while maintenance and repairs, which do not improve or extend the lives of the assets, are expensed. Property and equipment are depreciated using the straight-line method over their estimated useful lives, from 3 to 27.5 years. Depreciation expense is allocated among program services and supporting activities expense. Capitalization of fixed assets is defined as all assets purchased in excess of \$1,000 with useful lives determined to be greater than one year.

Revenue and Revenue Recognition:

Revenue is recognized when earned. Revenues are reported as increases in Net Assets Without Donor Restrictions unless the related assets are limited by donor-imposed restrictions. Expenses are reported as decreases in Net Assets Without Donor Restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in Net Assets Without Donor Restrictions unless their use is restricted by explicit donor stipulation or by law. FPS receives revenue from a variety of revenue sources as discussed below:

- FPS recognizes contributions when cash, securities or other assets and unconditional promises to give, or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Revenue and Revenue Recognition: (continued)

- Special event revenues are recorded equal to the direct benefit to donors and contribution income for the excess received when the event takes place. The statement of activities presents the gross amounts of revenues and expenses from special events. The portion of a special event payment that represents the amount in excess of any direct benefit that the donor receives is recognized as contributions. The portion representing cost of the direct benefit to the donors is reported as reduction of gross special events revenue on the statement of activities and special event expense on the statement of functional expenses.

FPS has been notified that donors have named FPS as beneficiaries in their wills. The future contributions are for the operating support toward meeting the Organization's mission. The amounts of gifts are unknown and will be recognized upon notification. For the years ended June 30, 2021 and 2020 no amounts have been recognized or recorded in the accompanying financial statements.

Donated Services:

FPS recognizes donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A substantial number of unpaid volunteers have made significant contributions of their time to FPS's program functions and special event activities. During the years ended June 30, 2021 and 2020, respectively, FPS received approximately 5,688 and 3,517 donated program service and administrative hours. FPS received approximately 3,076 and 2,786 special event activity volunteer hours for the years ended June 30, 2021 and 2020, respectively. The cost of these hours is not recorded in the statement of activities because the criteria for recognition have not been satisfied. For the years ended June 30, 2021 and 2020, FPS did recognize professional services of nursing care of \$18,648 and \$54,100, respectively.

Allocation of Functional Expenses:

The costs of providing the various programs and other activities of FPS have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of FPS. Salaries and related expenses are allocated based on estimates of time and effort.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Allocation of Functional Expenses: (continued)

Analysis of functional expenses year over year are indicative of the change in program caused by the COVID-19 pandemic. Specifically, FPS has primarily sent patients locally to Woodloch as part of the community respite program. Thus, there is a reduction in airline travel and car rental expenses. Further, there is a significant reduction in stipend expenses; this reduction correlates to the inclusion of meals at respites at Woodloch and this is demonstrated in the increased cash out lay for accommodations. Our numbers tell our story to adapt and excel in a new environment. Refer to the strategic initiatives section on the FPS website for the strategic plan.

Income Taxes:

FPS qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for federal or state income taxes is included in the accompanying financial statements. FPS is not classified as a private foundation. FPS's federal tax returns are subject to audit by taxing authorities. FPS's returns open audit periods are for the fiscal years ended June 30, 2018 - 2020.

Subsequent Events:

FPS has evaluated events and transactions for potential recognition or disclosure in the financial statements through the date of this report which is the date the financial statements were available for release. No subsequent events have been recognized or disclosed.

New Accounting Pronouncements:

ASU No. 2014-09 (Topic 606), Revenue from Contracts with Customers: The new guidance is intended to improve the usefulness and understandability of financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way FPS reported contributions or other revenue; therefore, no changes to the previously issued audited financial statements were required on a retroactive basis. The disclosures of revenue have been enhanced in accordance with the standard. FPS's financial statements reflect the application of this guidance for the year ended June 30, 2021.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements: (continued)

ASU No. 2018-13 (Topic 820), Fair Value Measurement: The new guidance is intended to improve the effectiveness of disclosures in the notes to the financial statements. The objective of these disclosure requirements is to provide financial statement users with information about assets and liabilities measured at fair value in the statement of financial position or disclosed in the notes to the financial statements. FPS's financial statements reflect the application of this guidance for the year ended June 30, 2021. The implementation had no effect on net assets and the adoption did not impact previously issued financial statements.

ASU No. 2020-07 (Topic 958), Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets: This standard changes the presentation and disclosure requirements of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets, use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The standard requires that contributed nonfinancial assets be presented as a separate line item in the statement of activities and additional disclosures will be presented, including disaggregation of amounts, qualitative information, and valuation techniques and inputs be disclosed that were used to arrive at the fair value of the contributed nonfinancial assets. This standard will be implemented in the fiscal year ending June 30, 2022. FPS is currently evaluating this new standard and the impact it will have on its financial statements.

ASU No. 2016-02 (Topic 842), Leases: This standard substantially changes current principles of lease accounting and offers specific accounting guidance for lessees, lessors and sale-leaseback transactions. The standard establishes a right-of-use model that requires lessees to record an asset and lease liability in the statement of financial position for all lease with terms longer than 12 months. Leases will be classified as either finance leases or operating leases depending on the characteristic of the lease; consistent with current Generally Accepted Accounting Principles, the recognition, measurement and presentation of expenses and cash flows arising from the lease will depend on the lease classification. This standard will be implemented in the fiscal year ending June 30, 2022. FPS is currently evaluating this new standard and the impact it will have on its financial statements.

NOTE 2. Availability and Liquidity

FPS considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated (quasi) endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 2. Availability and Liquidity (Continued)

General expenditures include management and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during FPS's fiscal year.

FPS manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of FPS.

The table below presents financial assets available for general expenditures within one year at June 30, 2021 and 2020:

Financial assets at year end:	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,274,138	\$ 855,311
Pledges receivable, net	92,482	138,447
Capital receivable, net	28,204	-
Endowment receivable, net	212,477	215,504
Investments in remainder trust	218,307	228,116
Investments	<u>1,688,366</u>	<u>1,334,671</u>
Total financial assets	<u>3,513,974</u>	<u>2,772,049</u>
Less amounts not available to be used within one year:		
Cash restricted for endowment	(5,962)	(13,039)
Beneficial Interest in a remainder trust	(218,307)	(228,116)
Pledge receivable - due after one year, net	(31,705)	(24,415)
Capital receivable - due after one year, net	(6,604)	-
Endowment receivable - due after one year, net	(205,977)	(215,504)
Investments held for endowment	<u>(863,319)</u>	<u>(855,272)</u>
Financial assets not available to be used within one year	<u>(1,331,874)</u>	<u>(1,336,346)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 2,182,100</u>	<u>\$ 1,435,703</u>

In addition, FPS has a line of credit of \$50,000 available as needed.

The Foundation's Board has designated a portion of its unrestricted resources for endowment and other purposes. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 3. Property and Equipment

Property and equipment consisted of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Computer software	\$ 197,536	\$ 197,536
Computer equipment	13,583	13,583
Office equipment	5,113	5,113
Residences - Davenport, Florida	332,516	317,634
Land - Davenport, Florida	<u>14,402</u>	<u>14,402</u>
	563,150	548,268
Accumulated depreciation	<u>(293,239)</u>	<u>(258,038)</u>
Property and equipment, net	<u>\$ 269,911</u>	<u>\$ 290,230</u>

Depreciation expense was \$35,201 and \$35,614 for the years ended June 30, 2021 and 2020, respectively.

NOTE 4. Investments

Investments in marketable securities are reported at fair value on the statement of financial position. Donated investments are reflected as contributions at their market values at the date of receipt. Interest earnings, unrealized and realized gains and losses are reported as investment income, net of investment broker fees. As of June 30, 2021 and 2020 the Board of Directors has designated investments in the amount of \$825,047 and \$479,399, respectively, toward the endowment fund.

As of June 30, 2021 and 2020, fair values and unrealized gain on investments are summarized as follows:

	<u>2021</u>		
	Cost	Market Value	Unrealized Gain
ETF and ETF Options			
Endowment	<u>\$ 657,196</u>	<u>\$ 863,319</u>	<u>\$ 206,123</u>
Quasi	<u>\$ 653,229</u>	<u>\$ 825,047</u>	<u>\$ 171,818</u>
	<u>2020</u>		
	Cost	Market Value	Unrealized Gain
ETF and ETF Options			
Endowment	<u>\$ 763,482</u>	<u>\$ 855,272</u>	<u>\$ 91,790</u>
Quasi	<u>\$ 460,806</u>	<u>\$ 479,399</u>	<u>\$ 18,593</u>

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 5. Line of Credit

FPS has a revolving line of credit available in the amount of \$50,000 bearing an interest rate of 4.25%. As of June 30, 2021 and 2020 there was no outstanding balance on the line of credit at year end.

NOTE 6. Fair Value of Financial Instruments

FPS follows Fair Value Measurements as required by the FASB Standards Codification, which applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The Codification emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumption that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilized quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Organization also adopted the Fair Value Option for Financial Assets and Liabilities under the FASB Standards Codification. This allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Organization has not elected to measure any existing financial instruments at fair value, as permitted under the Codification. However, the Foundation may elect to measure newly acquired financial instruments at fair value in the future. The Organization's fair value hierarchy for all investments, measured at fair value on a recurring basis as of June 30, 2021 and 2020 were all measurement as Level 1.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 7. Related Parties

For the year ended June 30, 2020, Board members and staff provided cash contributions totaling \$16,538 for special events and \$35,558 for the annual appeal. For the year ended June 30, 2021, Board members and staff provided cash contributions totaling \$12,387 for special events and \$43,769 for the annual appeal.

NOTE 8. Board-Designated Net Assets Without Donor Restrictions

FPS's Board has designated a portion of its unrestricted resources for endowment and other purposes. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board. At June 30, 2021 and 2020, the following amounts were designated for specific purposes by the Board:

	<u>2021</u>	<u>2020</u>
Designated by Board for operating reserve	\$ 105,000	\$ 105,000
Designated by Board for endowment	<u>1,392,376</u>	<u>1,065,898</u>
Total board-designated funds	<u>\$ 1,497,376</u>	<u>\$ 1,170,898</u>

NOTE 9. In-Kind Contributions and Expenses

Donated facilities, services and materials have been reflected in the financial statements at fair value as both contributions and corresponding expenses and consisted of the following for the years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Accommodations	\$ 114,505	\$ 151,045
Computer processing & website design	7,063	2,295
Salaries and wages	18,648	54,100
Marketing	14,536	75,000
Miscellaneous	4,204	-
Professional Fees	18,235	42,930
Rent	46,826	46,826
Ancillary Services	20,308	9,979
Respite amenities and supplies	873	61,429
Special events	<u>62,230</u>	<u>110,433</u>
Total contributions and expenses in-kind	<u>\$ 307,428</u>	<u>\$ 554,037</u>
Program expense in-kind	\$ 227,663	\$ 430,225
Management and general in-kind	6,828	2,965
Fundraising in-kind	10,707	10,414
Special events in-kind	<u>62,230</u>	<u>110,433</u>
Total Expenses In-Kind	<u>\$ 307,428</u>	<u>\$ 554,037</u>

As of June 30, 2021 and 2020, FPS capitalized donated fixed assets in the amount of \$0 and \$0, respectively.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 10. Concentration of Credit Risk

FPS's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. FPS places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the \$250,000 FDIC insurance limit (\$500,000 SIPC insurance for investments, not including market losses) thus exposing the FPS to a loss in the amount of the excess. As of June 30, 2021 and 2020, the amounts in excess of these insurance limits totaled \$2,040,583 and \$1,596,659, respectively.

NOTE 11. Special Events

FPS reported special event expenses for the years ended June 30, 2021 and 2020 as follows:

	2021			2020		
	<u>Ordinary</u>	<u>In-Kind</u>	<u>Total</u>	<u>Ordinary</u>	<u>In-Kind</u>	<u>Total</u>
Auction merchandise	\$ 362	\$ 50,820	\$ 51,182	\$ 10,326	\$ 69,189	\$ 79,515
Community Event expense	10,394	4,400	14,794	14,588	-	14,588
Entertainment	-	-	-	5,601	-	5,601
Event production	47,878	5,610	53,488	20,641	9,227	29,868
Facility rental	13,690	-	13,690	19,560	-	19,560
Food / beverage	-	-	-	106,160	26,952	133,112
Promotional items	2,100	-	2,100	6,853	-	6,853
Raffle prizes	-	1,400	1,400	575	4,965	5,540
Total special event expenses	<u>\$ 74,424</u>	<u>\$ 62,230</u>	<u>\$ 136,654</u>	<u>\$ 184,304</u>	<u>\$ 110,333</u>	<u>\$ 294,637</u>
Indirect Special Events Expenses	23,356	-	23,356	22,211	100	22,311
Total Special Events expenses	<u>\$ 97,780</u>	<u>\$ 62,230</u>	<u>\$ 160,010</u>	<u>\$ 206,515</u>	<u>\$ 110,433</u>	<u>\$ 316,948</u>

NOTE 12. Net Assets with Donor Restrictions

For the years ended June 30, 2021 and 2020, net assets were restricted for the following purposes:

	<u>2021</u>	<u>2020</u>
CRUT	\$ 218,057	\$ 228,116
Capital Campaign	35,000	-
Special event production	3,480	-
Technology	-	13,039
	<u>\$ 256,537</u>	<u>\$ 241,155</u>

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 12. Net Assets with Donor Restrictions (Continued)

Net assets during the year ended June 30, 2021 and 2020 were released from donor restrictions by incurring expenses satisfying the restricted purposes, as follows:

	<u>2021</u>	<u>2020</u>
Special Events	\$ 250	\$ 5,710
Technology	<u>13,039</u>	<u>25,954</u>
	<u>\$ 13,289</u>	<u>\$ 31,664</u>

NOTE 13. Endowment Fund

Net assets with donor restrictions at June 30, 2021 and 2020 consist of the Healing, Hope and Happiness (HHH) Fund. The HHH Fund is a monetary fund from which income derived from invested principal is used to support the mission of FPS.

Interpretation of Relevant Standard: The Board of Directors of FPS have interpreted the standard as requiring any donor-restricted contributions as being classified as net assets without donor restrictions and net assets with donor restrictions (temporary or permanent restrictions) depending on the nature of the restriction. FPS considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the FPS and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of FPS
- (7) The investment policies of FPS

This portfolio is the sustaining, long-term Endowment of FPS. These funds are to be invested with capital growth and total return as the primary objectives. The secondary objective is preservation of capital and liquidity is the third objective. These funds are to be invested in accordance with the guidelines of this document.

Return Objectives and Risk Parameters: The endowment is to be managed by employing the "prudent-man rule" as the primary operating guideline. However, the following requirements/limitations are to be maintained unless changes are recommended by the FPS Finance Committee and approved by the FPS Board of Directors.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 13. Endowment Fund (Continued)

Undesignated portfolio holdings limited to cash and cash equivalents shall mean those securities with the explicit or implied guarantee of the U.S. Government, such as Treasury bills, notes and bonds and U.S. Agency securities. Also eligible for purchase are repurchase agreements, money market funds, and bankers' acceptances.

Designated portfolio - the nature and the current intent for use of the income derived from investments held in this portfolio prescribe the following:

- Investments in the equities should normally represent 60% of total Fund assets based upon fair value. The actual percentage of equities will vary with market conditions, within the band set by the Board. Holdings should not exceed these bands for more than a nominal period.

The desired ratio between equities and fixed-income securities (including cash equivalents) may vary. Accordingly, the FPS Board of Directors at the recommendation of the FPS Finance Committee may prescribe and approve a ratio mix. At this time, a ratio of 60% equity and 40% fixed-income is being recommended.

The Endowment consisted of:

	<u>2021</u>	<u>2020</u>
Board designated	\$ 1,392,376	\$ 1,065,898
Donor restricted	<u>1,075,796</u>	<u>1,070,498</u>
Total Endowment	<u>\$ 2,468,172</u>	<u>\$ 2,136,396</u>

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 13. Endowment Fund (Continued)

Activities in the Healing, Hope and Happiness Fund comprise the following:

Note 13. Endowment Fund

	Board- Designated	Donor Restricted	2021
Endowment net assets, July 1	\$ 1,065,898	\$ 1,070,498	\$ 2,136,396
Contributions	-	-	-
Investment Income	26,070	-	26,070
Net appreciation realized	54,660	-	54,660
Net appreciation unrealized	265,748	-	265,748
Present value adjustment	-	5,548	5,548
Amount appropriated for expenditure	(20,000)	-	(20,000)
Bad debt write-off	-	(250)	(250)
Endowment net assets, June 30	<u>\$ 1,392,376</u>	<u>\$ 1,075,796</u>	<u>\$ 2,468,172</u>

	Board- Designated	Donor Restricted	2020
Endowment net assets, July 1	\$ 752,810	\$ 1,057,109	\$ 1,809,919
Contributions	250,000	-	250,000
Investment Income	37,106	-	37,106
Net appreciation	45,688	-	45,688
Present value adjustment	(8,706)	13,389	4,683
Amount appropriated for expenditure	(11,000)	-	(11,000)

Strategies Employed for Achieving Objectives: To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). FPS targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy: For the foreseeable future it is the intention of the Board to grow the assets in the Healing, Hope and Happiness Endowment, until the Board determines a self-sustaining level of assets has been reached. At that point, a portion of the funds in the Endowment will be utilized each year to fund the respite activities of For Pete's Sake. The Board will be required each year to approve this spending.

When it occurs, the annual allocation to the FPS budget for respite activities will be four percent (4%) of the average of the most recent 12 calendar quarter-ending values of the Endowment as determined by reference to the statements provided by the custodians of the Endowment assets.

FOR PETE'S SAKE CANCER RESPITE FOUNDATION

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 14. Risks and Uncertainties

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world has caused significant volatility in the U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19.

In June of 2020 FPS received loan proceeds in the amount of \$158,700 under the Paycheck Protection Program ("PPP"). The PPP was established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). Under the Act, there is a possibility for a portion of the loan to be forgiven if certain conditions are met. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with deferral payments for the first six months. FPS used the proceeds for purposes consistent with the PPP. On March 5, 2021, the Organization received confirmation that the PPP loan was forgiven. On March 9, 2021, the Organization applied for, and was awarded, a second PPP loan in the amount of \$113,412. The Organization intends to use the funds for activities consistent with the requirements for loan forgiveness and, as such, reasonably expects the total amount to be forgiven.