

The Carcinoid Cancer Foundation, Inc.

Financial Statements
(Together with Independent Auditor's Report)

For the years ended
February 28, 2021 and February 29, 2020

The Carcinoid Cancer Foundation, Inc.
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February 28, 2021 and February 29, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Carcinoid Cancer Foundation Incorporated

We have audited the accompanying financial statements of The Carcinoid Cancer Foundation, Inc. which comprise of the statements of financial position as of February 28, 2021 and February 29, 2020, and the related statements of activities and changes in net assets, 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 the 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 The Carcinoid Cancer Foundation, Inc. as of February 28, 2021 and February 29, 2020, and the results of its operations, changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Frank A. Salandra & Co. CPAs LLP

Harrison, New York
July 12, 2021

The Carcinoid Cancer Foundation, Inc.
Statement of Financial Position
As of February 28, 2021 and February 29, 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 814,145	\$ 945,963
Investments	1,293	1,130
Accounts receivable	45,000	5,000
Prepaid payroll	20,315	21,769
Total Current Assets	<u>880,754</u>	<u>973,862</u>
Fixed Assets		
Office Improvements	17,000	17,000
Computers and Peripherals	115,241	115,241
Office Equipment	54,464	54,464
Less: Accumulated Depreciation	(179,527)	(179,091)
Total Fixed Assets	<u>7,178</u>	<u>7,614</u>
Other Assets		
Rent Deposit	1,181	4,125
Total Assets	<u>889,113</u>	<u>985,601</u>
Liabilities and Net Assets		
Current Liabilities		
Accrued Expenses	1,728	1,235
Total Current Liabilities	<u>1,728</u>	<u>1,235</u>
Net Assets		
Without donor restrictions	887,386	984,366
Total Net Assets	<u>887,386</u>	<u>984,366</u>
Total Liabilities and Net Assets	<u>\$ 889,113</u>	<u>\$ 985,601</u>

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

Statement of Activities and Changes in Net Assets

For the years ended February 28, 2021 and February 29, 2020

	<u>2021</u>	<u>2020</u>
<u>CONTRIBUTIONS</u>		
Public Support		
Contributions	\$ 403,318	\$ 489,699
Revenue		
Educational Programs	-	5,000
Fundraising	1,653	9,500
Interest/Dividend Income	142	164
Total Revenues	<u>1,795</u>	<u>14,664</u>
Total Public Support & Revenue	<u>405,113</u>	<u>504,363</u>
Functional Expenses		
Program Services	309,742	273,586
General & Administrative	159,427	154,988
Fundraising	33,050	28,003
Total Expenses	<u>502,219</u>	<u>456,577</u>
Change in Net Assets	(97,106)	47,786
Net Assets - Beginning of Year	984,366	936,158
Unrealized Gain(Loss) on Investments	<u>126</u>	<u>422</u>
Net Assets - End of Year	<u>\$ 887,386</u>	<u>\$ 984,366</u>

The Carcinoid Cancer Foundation, Inc.
Statement of Functional Expenses
For the years ended February 28, 2021
(with comparative totals for the year ended February 28, 2020)

	Program Services	General & Administrative	Fundraising Expenses	2021 Total	2020 Total
Accounting Fees	\$ -	\$ 4,600	\$ -	\$ 4,600	\$ 9,050
Advertising	-	-	-	-	10,332
Bank & Finance Charges	-	141	-	141	141
Bookkeeping	-	7,125	-	7,125	-
Computer Expenses	-	2,528	-	2,528	6,444
Credit Card Processing Fees	-	-	1,135	1,135	1,574
Depreciation	436	-	-	436	436
Education Events	-	-	-	-	384
Fundraising Expenses	-	-	5,088	5,088	7,331
Health Education	7,241	-	-	7,241	6,058
Insurance	-	41,249	-	41,249	32,821
Legal	-	123	-	123	718
Office Expenses	-	4,636	-	4,636	3,464
Other	-	985	-	985	1,800
Payroll Expense	162,697	58,590	26,009	247,296	212,641
Payroll Taxes	-	18,918	-	18,918	16,267
Professional Fees	-	-	-	-	250
Payroll Fees	-	2,474	-	2,474	1,980
Postage & Delivery	-	1,119	-	1,119	3,086
Rental of Facilities	13,039	13,039	-	26,078	37,092
Printing & Imaging	-	-	818	818	320
Storage	-	2,509	-	2,509	1,175
Telephone	-	1,391	-	1,391	2,310
Travel	79	-	-	79	2,223
Video Services	117,800	-	-	117,800	90,818
Website Expenses	8,450	-	-	8,450	7,862
Total Functional Expenses:	\$ 309,742	\$ 159,427	\$ 33,050	\$ 502,219	\$ 456,577

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

The Carcinoid Cancer Foundation, Inc.
Statement of Functional Expenses
For the year ended February 29, 2020

	Program Services	General & Administrative	Fundraising Expenses	2020 Total
Accounting Fees	\$ -	\$ 9,050	\$ -	\$ 9,050
Advertising	-	10,332	-	10,332
Bank & Finance Charges	-	141	-	141
Bookkeeping	-	-	-	-
Computer Expenses	-	6,444	-	6,444
Credit Card Processing Fees	-	-	1,574	1,574
Depreciation	436	-	-	436
Education Events	384	-	-	384
Fundraising Expenses	-	-	7,331	7,331
Health Education	6,058	-	-	6,058
Insurance	-	32,821	-	32,821
Legal	-	718	-	718
Office Expenses	-	3,464	-	3,464
Other	-	1,800	-	1,800
Payroll Expense	147,259	46,604	18,778	212,641
Payroll Taxes	-	16,267	-	16,267
Professional Fees	-	250	-	250
Payroll Fees	-	1,980	-	1,980
Postage & Delivery	-	3,086	-	3,086
Rental of Facilities	18,546	18,546	-	37,092
Printing & Imaging	-	-	320	320
Storage	-	1,175	-	1,175
Telephone	-	2,310	-	2,310
Travel	2,223	-	-	2,223
Video Services	90,818	-	-	90,818
Website Expenses	7,862	-	-	7,862
Total Functional Expenses:	\$ 273,586	\$ 154,988	\$ 28,003	\$ 456,577

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

Statements of Cash Flows

For the years ended February 28, 2021 and February 29, 2020

	2021	2020
Cash Flows from Operating Activities		
Changes in Net Assets	\$ (97,106)	\$ 48,208
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	436	436
Unrealized gain(loss) on investment	126	(424)
Decrease in restricted cash	-	-
Decrease in investments	(163)	-
Decrease (increase) in accounts receivable	(40,000)	15,000
Decrease in prepaid payroll expenses	1,454	(3,810)
(Decrease) in accrued expenses	493	(2,268)
Decrease in other assets	2,944	-
Net Cash Provided by Operating Activities	<u>(131,818)</u>	<u>57,142</u>
Net Change in Cash and Cash Equivalents	(131,818)	57,142
Cash and Cash Equivalents, Beginning	<u>945,963</u>	<u>888,821</u>
Cash and Cash Equivalents, Ending	<u>\$ 814,145</u>	<u>\$ 945,963</u>

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

The Carcinoid Cancer Foundation, Inc.
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE A – DESCRIPTION OF THE ORGANIZATION

Nature of Business – The Carcinoid Cancer Foundation, Inc. (the “Foundation”) is a nonprofit organization incorporated under the laws of the State of New York in 1968. The Foundation encourages and supports research and educates general public and healthcare professionals regarding carcinoid cancer and related neuroendocrine tumors, with the ultimate goal of finding a cure. The Foundation is supported primarily through donor contributions and grants.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The financial statements of the Foundation have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”), which require the Foundation to report information regarding its financial position and activities according to the following net assets classifications.

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for the purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation’s management and board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions – Contribution received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restrictions expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restrictions. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents – The Foundation’s cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except those amounts that are held in the investment portfolio which are considered to be invested for long-term purposes.

Use of Estimates – The Foundation uses estimates in preparing financial statements in conformity with accounting principles generally accepted in the United States of America. The Foundation regularly assesses these estimates and while actual results may differ from these estimates, the board believes that material changes will not occur in the near future.

The Carcinoid Cancer Foundation, Inc.
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes – As an IRC 501(c) (3) entity, the Foundation is tax exempt, and no provision for federal or state income tax has been made. It is not a private foundation under Section 509(a) (1) of the Internal Revenue Code and qualifies for the maximum charitable contribution deduction.

The Foundation is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. Because the Foundation's general tax-exempt status, management believes ASC Topic 740 has not had, and is not expected to have a material impact on the Foundation's financial statements.

NOTE C - FIXED ASSETS

The Foundation has fixed assets stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line basis over a three to ten year estimated useful life for assets other than office improvements. Office improvements is depreciated over thirty-nine years.

Depreciation charged to expense was \$436 for the years ended February 28, 2021 and February 29, 2020.

NOTE D - CONTINGENCIES

The Foundation has no contingencies that are pending as a result of operations.

NOTE E - CONCENTRATION OF CREDIT RISK

Cash and cash equivalents that potentially subject the Foundation to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Interest-bearing accounts are insured up to \$250,000 per depositor. As of February 28, 2021 and February 29, 2020 there was approximately \$564,284 and \$696,098, respectively, of cash equivalents held by banks that exceeded FDIC limits.

The Carcinoid Cancer Foundation, Inc.
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE F- FAIR VALUE MEASUREMENTS

Investments are measured and reported at fair value. Changes in fair value are reported as investment return in the statement of activities. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and recorded in the statement of activities in the period in which the securities are sold. Interest and dividends are recorded when earned.

Fair value measurement is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair market measurement, a fair value hierarchy prioritize observable and unobservable inputs used to measure fair value into three levels:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are Foundation has the ability to access.

Level 2 – Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for similar assts or liabilities in inactive markets; inputs other than quoted prices that are observable for the assets or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

At February 28, 2021, The Foundation's Level 1 financial assets consists of investments, there were not Level 2 or 3 financial assets or liabilities.

NOTE G- DUE TO OTHER ORGANIZATIONS

As of February 28, 2021, there were no funds due other organizations.

NOTE H - SUBSEQUENT EVENTS

The Carcinoid Cancer Foundation, Inc. has evaluated subsequent events through July 12, 2021, which is the date the financial statements were available to be issued. The Foundation is not aware of any material subsequent events.