SCHALL & ASHENFARB Certified Public Accountants, LLC

IRA L. SCHALL, CPA
DAVID C. ASHENFARB, CPA
MICHAEL L. SCHALL, CPA

LET'S WIN PANCREATIC CANCER FOUNDATION

Audited Financial Statements

June 30, 2019

307 Fifth Avenue, 15th Floor
New York, New York 10016
Tel: (212) 268-2800 Fax: (212) 268-2805
www.schallandashenfarb.com

SCHALL & ASHENFARB Certified Public Accountants, LLC

IRA L. SCHALL, CPA
DAVID C. ASHENFARB, CPA
MICHAEL L. SCHALL, CPA

Independent Auditor's Report

To the Board of Directors of
Let's Win Pancreatic Cancer Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Let's Win Pancreatic Cancer Foundation (the "Organization"), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

307 Fifth Avenue, 15th Floor
New York, New York 10016
Tel: (212) 268-2800 Fax: (212) 268-2805
www.schallandashenfarb.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Let's Win, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the seven months period then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Organization adopted Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Schall & Ashenfarb

Schall & Ashenfarb
Certified Public Accountants, LLC

July 2, 2020

LET'S WIN PANCREATIC CANCER FOUNDATION
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2019

Assets

Cash and cash equivalents	$405,353
Fixed assets, net (Note 3)	57,715
Prepaid expenses	42,609
Total assets	$505,677

Liabilities and Net Assets

Liabilities:	
Accounts payable and accrued expenses	$40,835
Total liabilities	40,835
Net assets:	
Without donor restrictions	431,410
With donor restrictions (Note 5)	33,432
Total net assets	464,842
Total liabilities and net assets	$505,677

The attached notes and auditor's report are integral parts of these financial statements.

LET'S WIN PANCREATIC CANCER FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:			
Contributions and grant income	$330,730	$130,000	$460,730
Special events, net of expenses with a direct benefit to donor (Note 4)	417,942		417,942
Fee for service	30,000		30,000
In-kind services	44,553		44,553
Net assets released from restrictions (Note 5)	96,568	(96,568)	0
Total public support and revenue	919,793	33,432	953,225
Expenses:			
Program services (including in-kind services of $44,553)	523,615		523,615
Supporting services:			
Management and general	46,662		46,662
Fundraising	36,193		36,193
Total supporting services	82,855	0	82,855
Total expenses	606,470	0	606,470
Change in net assets	313,323	33,432	346,755
Net assets - beginning of year	118,087	0	118,087
Net assets - end of year	$431,410	$33,432	$464,842

The attached notes and auditor's report are integral parts of these financial statements.

LET'S WIN PANCREATIC CANCER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Supporting Services: Total Supporting Services	Total Expenses
Salaries	$56,250	$11,250	$7,500	$18,750	$75,000
Payroll taxes and benefits	5,426	1,085	724	1,809	7,235
Total personnel services	61,676	12,335	8,224	20,559	82,235
Professional fees (including in-kind of $44,553)	215,822	27,751		27,751	243,573
Patient outreach	99,186			0	99,186
Travel and conferences	13,390			0	13,390
Event expenses			89,195	89,195	89,195
Website expenses	84,839			0	84,839
Office expenses	13,536	3,896		3,896	17,432
Insurance		2,680		2,680	2,680
Depreciation	35,166			0	35,166
Total expenses	523,615	46,662	97,419	144,081	667,696
Less: direct special event expenses netted with revenue			(61,226)	(61,226)	(61,226)
Total expenses for statement of activities	$523,615	$46,662	$36,193	$82,855	$606,470

The attached notes and auditor's report are integral parts of these financial statements.

LET'S WIN PANCREATIC CANCER FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

Cash flows from operating activities:	
Change in net assets	$346,755
Adjustments to reconcile change in net assets	
to net cash provided by operating activities:	
Depreciation	35,166
Changes in assets and liabilities:	
Prepaid expenses	(30,084)
Accounts payable and accrued expenses	(8,473)
Total adjustments	(3,391)
Net cash flows provided by operating activities/ net increase in cash and cash equivalents	343,364
Cash flows from investing activities:	
Purchases of fixed assets	(33,743)
Net cash used for investing activities	(33,743)
Net increase in cash	309,621
Cash and cash equivalents - beginning of year	95,732
Cash and cash equivalents - end of year	$405,353
Interest and tax expense	$0

The attached notes and auditor's report are integral parts of these financial statements.

LET'S WIN PANCREATIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 - Nature of Entity

Let's Win! Pancreatic Cancer Foundation (the "Organization") is a web-based platform that enables doctors, scientists, and patients to share fast-breaking information on potentially life-saving pancreatic cancer treatments and clinical trials. The goal of the Organization is to inform, enable, and educate patients and caregivers, by providing easy-to-understand, actionable information. The organization is a registered 501(c)(3) non-profit organization incorporated in the state of Delaware in 2018.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

Effective July 1, 2018, the Organization adopted the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This standard addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. A footnote on liquidity has also been added (Note 7).

Implementation of ASU 2016-14 did not require any reclassification or restatement of opening balances related to the periods presented.

b. Basis of Presentation

The Organization reports information regarding their financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – relates to activity without donor-imposed restrictions as well as activity with donor-imposed restrictions that expire within the same period.

- *Net Assets With Donor Restrictions* – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

c. Revenue Recognition
Contributions are recorded in one of the net asset classes referred to above based on the existence or absence of any donor stipulations. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Contributions whose restrictions expire in the same year they are received are recorded as without donor restrictions.

d. Cash and Cash Equivalents
The Organization considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

e. Concentration of Credit Risk
Financial instruments, which potentially subject the Organization to concentration of credit risk consist of cash that has been placed with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits.

f. Fixed Assets
Fixed assets and equipment purchased that benefit future periods are capitalized at cost or, if donated, at the estimated fair value at the time of the donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset, as follows:

Website – *3 years*

g. In-Kind Contributions
The Organization recognizes contributions of services that create or enhance non-financial assets or require specialized skills, are performed by those who possess such skills and would have ordinarily been paid for such services if they had not been provided in-kind. In-kind services of $44,553 were received during the year ended June 30, 2019. See Note 6.

h. Management Estimates
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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

The following costs are allocated using time and effort as the basis:

- Salaries
- Payroll taxes and benefits

All other expenses have been charged directly to the applicable program or supporting services.

j. Accounting for Uncertainty of Income Taxes
The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ended June 30, 2016 and later are subject to examination by applicable taxing authorities.

k. New Accounting Pronouncement
FASB issued ("ASU") No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU which becomes effective for the June 30, 2020 year, with early implementation permitted, provides guidance on whether a receipt from a third-party resource provider should be accounted for as contributions (nonreciprocal transactions) within the scope of *Topic 958, Not-for-Profit Entities*, or as exchange (reciprocal) transactions.

FASB issued ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. The ASU, which becomes effective for the June 30, 2020 year, focuses on a principle-based model. It highlights the identification of performance obligations of the contract, determining the price and allocating that price to the performance obligation so that revenue is recognized as each performance obligation is satisfied.

In addition, FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The Organization is in the process of evaluating the impact these standards will have on future financial statements.

Note 3 - Fixed Assets

Fixed assets consist of the following:

Website	$134,062
Less: accumulated depreciation	(76,347)
Net book value	$57,715

Note 4 - Special Event

The proceeds from the Organization's annual fundraising event are summarized as follows:

Gross revenue	$479,168
Less: expenses with a direct benefit to donors	(61,226)
	417,942
Less: other event expenses	(27,969)
Total	$389,973

Note 5 - Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions:

	Beginning Balance 7/1/18	Contributions	Released from Restrictions	Ending Balance 6/30/19
Program Restrictions	$0	$130,000	($96,568)	$33,432

Note 6 - Related Party Transactions

The Organization receives services related to website development and design of digital printed marketing materials from a provider that is owned by a board member. For the year ended June 30, 2019, the Organization incurred expenses of $125,000 and in-kind expenses of $44,553 to the vendor.

Note 7 - Availability and Liquidity

The following reflects the Organization's financial assets at June 30, 2019 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	$405,353
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	(33,432)
Financial assets available to meet cash needs for operations within one year	$371,921

The Organization maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, the Organization operates its programs within a board approved budget and relies on grants and contributions to fund its operations and program activities.

Note 8 - Subsequent Events

Management has evaluated the impact of all subsequent events through July 2, 2020, which is the date that the financial statements were available to be issued.

Subsequent to year end, the World Health Organization declared a novel coronavirus (COVID-19) outbreak a Public Health Emergency of International Concern. This could adversely affect the Organization's donors, government funders, program participants and suppliers as a result of quarantines, facility closures, and travel and logistics restrictions in connection with the outbreak. More broadly, the outbreak could affect workforces, economies and financial markets globally, potentially leading to an economic downturn. This could decrease spending, adversely affect demand for the Organization's services and harm the Organization's business and results of operations. Management continues to monitor the outbreak, however, as of the date of these financial statements, the potential impact of such on the Organization's business cannot be quantified.