



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

# **LET'S WIN PANCREATIC CANCER FOUNDATION**

Audited Financial Statements

June 30, 2020

---

307 Fifth Avenue, 15th Floor  
New York, New York 10016  
Tel: (212) 268-2800 Fax: (212) 268-2805  
[www.schallandashenfARB.com](http://www.schallandashenfARB.com)

## **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, 2020, 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.

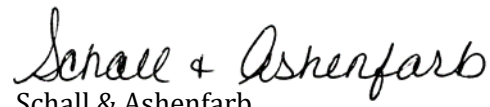
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Let's Win Pancreatic Cancer Foundation, Inc. as of June 30, 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 Summarized Comparative Information***

We have previously audited the Organization's June 30, 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 2, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

March 1, 2021

**LET'S WIN PANCREATIC CANCER FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AT JUNE 30, 2020**  
(With comparative totals at June 30, 2019)

	<b>Assets</b>	<u>6/30/20</u>	<u>6/30/19</u>
Cash and cash equivalents		\$649,022	\$405,353
Accounts receivable		11,752	0
Fixed assets, net (Note 3)		35,350	57,715
Security deposit		4,178	0
Prepaid expenses		59,469	42,609
Total assets		<u><u>\$759,771</u></u>	<u><u>\$505,677</u></u>
 <b>Liabilities and Net Assets</b>  			
Liabilities:			
Accounts payable and accrued expenses		\$45,538	\$40,835
Deferred rent		6,825	0
Total liabilities		<u>52,363</u>	<u>40,835</u>
Net assets:			
Without donor restrictions		681,412	431,410
With donor restrictions (Note 4)		25,996	33,432
Total net assets		<u>707,408</u>	<u>464,842</u>
Total liabilities and net assets		<u><u>\$759,771</u></u>	<u><u>\$505,677</u></u>

*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, 2020**  
(With comparative totals for the year ended June 30, 2019)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 6/30/20</u>	<u>Total 6/30/19</u>
Public support and revenue:				
Contributions and grant income	\$246,359	\$25,000	\$271,359	\$460,730
Special events, net of expenses with a direct benefit to donor (Note 5)	522,768		522,768	417,942
Fee for service	10,000		10,000	30,000
In-kind services	79,374		79,374	44,553
Net assets released from restrictions (Note 4)	32,436	(32,436)		-
Total public support and revenue	<u>890,937</u>	<u>(7,436)</u>	<u>883,501</u>	<u>953,225</u>
Expenses:				
Program services (including in-kind services of \$79,374)	<u>518,256</u>		<u>518,256</u>	<u>523,615</u>
Supporting services:				
Management and general	58,648		58,648	46,662
Fundraising	64,031		64,031	36,193
Total supporting services	<u>122,679</u>	<u>0</u>	<u>122,679</u>	<u>82,855</u>
Total expenses	<u>640,935</u>	<u>0</u>	<u>640,935</u>	<u>606,470</u>
Change in net assets	250,002	(7,436)	242,566	346,755
Net assets - beginning of year	<u>431,410</u>	<u>33,432</u>	<u>464,842</u>	<u>118,087</u>
Net assets - end of year	<u><u>\$681,412</u></u>	<u><u>\$25,996</u></u>	<u><u>\$707,408</u></u>	<u><u>\$464,842</u></u>

*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, 2020**  
(With comparative totals for the year ended June 30, 2019)

	Supporting Services			Total Supporting Services	Total 6/30/20	Total 6/30/19
	Program Services	Management and General	Fundraising			
Salaries	\$111,500	\$6,000	\$7,500	\$13,500	\$125,000	\$75,000
Payroll taxes and benefits	10,171	548	684	1,232	11,403	7,235
Total personnel services	121,671	6,548	8,184	14,732	136,403	82,235
Professional fees (including in-kind of \$79,374)	231,565	43,682	3,000	46,682	278,247	243,573
Patient outreach	72,824			0	72,824	99,186
Travel and conferences	23,043			0	23,043	13,390
Rent	13,046	701	878	1,579	14,625	0
Event expenses			126,388	126,388	126,388	89,195
Website expenses	11,270			0	11,270	84,839
Office expenses	10,614	3,703	5,274	8,977	19,591	17,432
Insurance		4,014		4,014	4,014	2,680
Depreciation	34,223			0	34,223	35,166
Total expenses	518,256	58,648	143,724	202,372	720,628	667,696
Less: direct special event expenses netted with revenue			(79,693)	(79,693)	(79,693)	(61,226)
Total expenses for statement of activities	\$518,256	\$58,648	\$64,031	\$122,679	\$640,935	\$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, 2020**  
(With comparative totals for the year ended June 30, 2019)

	<u>6/30/20</u>	<u>6/30/19</u>
Cash flows from operating activities:		
Change in net assets	\$242,566	\$346,755
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	34,223	35,166
Changes in assets and liabilities:		
Accounts receivable	(11,752)	0
Security deposit	(4,178)	0
Prepaid expenses	(16,860)	(30,084)
Accounts payable and accrued expenses	4,703	(8,473)
Deferred rent	6,825	0
Total adjustments	<u>12,961</u>	<u>(3,391)</u>
Net cash flows provided by operating activities	<u>255,527</u>	<u>343,364</u>
Cash flows from investing activities:		
Purchases of fixed assets	<u>(11,858)</u>	<u>(33,743)</u>
Net cash used for investing activities	<u>(11,858)</u>	<u>(33,743)</u>
Net increase in cash	243,669	309,621
Cash and cash equivalents - beginning of year	<u>405,353</u>	<u>95,732</u>
Cash and cash equivalents - end of year	<u><u>\$649,022</u></u>	<u><u>\$405,353</u></u>
Interest and tax expense	<u><u>\$0</u></u>	<u><u>\$0</u></u>

*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, 2020**

**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, 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 Accounting

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 when received or paid.

Effective July 1, 2019, the Organization adopted the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "Topic 606"). This provides the framework for recognizing revenue by highlighting the identification of performance obligations of a contract, determining the price, and then allocating the price to each of the performance obligations so that revenue is recognized as each of those performance obligations are satisfied.

Also, effective July 1, 2019, the Organization adopted ASU No. 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* ("Topic 605"). Key provisions of this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improved guidance for conditional versus unconditional contributions. In accordance with this new standard, the Organization evaluates whether a transfer of assets is an exchange transaction in which a resource provider is receiving a commensurate value in return for the transfer of resources or whether it is non-reciprocal. If the transaction is determined to be an exchange transaction, the Organization applies guidance under Topic 606. If the transaction is determined to be non-reciprocal, it is treated as a contribution under Topic 605.

Analysis of the various provisions of both of these standards resulted in no significant changes in the way the Organization recognizes revenue.



b. Basis of Presentation

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

- *Net Assets Without Donor Restrictions* – accounts for activity without donor-imposed restrictions.
- *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.

c. Revenue Recognition

The Organization has adopted Topic 606 using the modified retrospective method applied to all contracts after July 1, 2019 and continues to use legacy GAAP for all contracts before July 1, 2019.

Each different source of revenue is analyzed to determine that it has a contract with the customer that identifies both the performance obligation and the transaction price. Revenue is recognized when the performance obligation is complete.

Fee for service income falls under Topic 606 and is recognized as the performance obligation is satisfied over the service period. Payments received in advance of performing services are recorded as deferred income and will be recognized as income in the period earned. Fees that have yet to be collected at year end are reflected as receivables.

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities. However, when a restriction is met in the period the contribution is received, it is recorded as net assets without donor restrictions.

Unconditional promises to give are recorded at net realizable value if expected to be received in less than one year, or at fair value using a risk-adjusted discount rate if expected to be received in greater than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Outstanding receivables from grants and contributions are reviewed on an annual basis and an allowance for doubtful accounts is maintained based on historical trends and past collection data to assess the likelihood of future payments. Based on this review, no reserve has been established.

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 and at year end, 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. Deferred Rent

Rent expense is recognized evenly over the life of the lease using the straight-line method. In the earlier years of the lease, as rent expense exceeds amounts paid, a deferred rent liability is created. In later years of the lease, as payments exceed the amount of expense recognized, deferred rent will be reduced until it is zero at the end of the lease.

h. 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 ordinarily pay for such services if they had not been provided in-kind. The Organization received donated professional services for the years ended June 30, 2020 and June 30, 2019 valued at \$79,374 and \$44,553, respectively that was reported as program services on the statement of functional expenses. See note 6.

i. 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.

j. 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.

Salaries expense is allocated based on time and effort.

The following costs are allocated based on salary allocations:

- Payroll taxes and benefits
- Rent

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

k. 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, 2017 and later are subject to examination by applicable taxing authorities.

l. Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

m. New Accounting Pronouncements

FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the June 30, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.

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.

Management 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:

	<u>6/30/20</u>	<u>6/30/19</u>
Website	\$145,920	\$134,062
Less: accumulated depreciation	<u>(110,570)</u>	<u>(76,347)</u>
Total fixed assets, net	<u>\$35,350</u>	<u>\$57,715</u>

**Note 4 - Net Assets With Donor Restrictions**

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

	<u>June 30, 2020</u>			
	Beginning Balance <u>7/1/19</u>	<u>Contributions</u>	Released from <u>Restrictions</u>	Ending Balance <u>6/30/20</u>
Program Restrictions:				
Reaching the Unreached	\$0	\$25,000	(\$0)	\$25,000
Survivor Series	25,800	0	(25,800)	0
Printing	<u>7,632</u>	<u>0</u>	<u>(6,636)</u>	<u>996</u>
Total	<u>\$33,432</u>	<u>\$25,000</u>	<u>(\$32,436)</u>	<u>\$25,996</u>

	<u>June 30, 2019</u>			
	Beginning Balance <u>7/1/18</u>	<u>Contributions</u>	Released from <u>Restrictions</u>	Ending Balance <u>6/30/19</u>
Program Restrictions:				
Survivor Series	\$0	\$115,000	(\$89,200)	\$25,800
Printing	<u>0</u>	<u>15,000</u>	<u>(7,368)</u>	<u>7,632</u>
Total	<u>\$0</u>	<u>\$130,000</u>	<u>(\$96,568)</u>	<u>\$33,432</u>

**Note 5 - Special Event**

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

	<u>6/30/20</u>	<u>6/30/19</u>
Gross revenue	\$602,461	\$479,168
Less: expenses with a direct benefit to donors	<u>(79,693)</u>	<u>(61,226)</u>
	522,768	417,942
Less: other event expenses	<u>(46,695)</u>	<u>(27,969)</u>
Total	<u>\$476,073</u>	<u>\$389,973</u>

**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. The Organization incurred expenses of \$134,000 and \$125,000, as well as in-kind expenses of \$79,374 and \$44,553 to the vendor for the years ended June 30, 2020 and 2019, respectively.

**Note 7 - Commitments**

The Organization entered into a lease agreement for office space that commenced on January 27, 2020 and expires in one year. Subsequent to year end, the Organization received a one-year extension. Rent expense was \$14,625 for the year ended June 30, 2020.

Future minimum payments are as follows:

Year ending:	June 30, 2021	\$29,963
	June 30, 2022	<u>4,095</u>
Total		<u>\$34,058</u>

**Note 8 - Availability and Liquidity**

The following reflects the Organization's financial assets at June 30, 2020 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$649,022
Accounts receivable	<u>11,752</u>
Total financial assets	\$660,774
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(25,996)</u>
Financial assets available to meet cash needs for operations within one year	<u>\$634,778</u>

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 9 - Subsequent Events**

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through March 1, 2021, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements have been made.

**Note 10 - Other Matters**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions

taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. It is unknown how long these conditions will last and what the complete financial effect will be. Management continues to monitor the outbreak, however, as of the date of these financial statements, the potential impact cannot be quantified.