

**CANCER CAREPOINT, INC.**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2022**

**AND**

**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**



**CANCER CAREPOINT, INC.**

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
Cancer CAREpoint, Inc.  
San Jose, California

We have reviewed the accompanying financial statements of Cancer CAREpoint, Inc. (a California nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Cancer CAREpoint, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



## **Report on Summarized Comparative Information**

We have previously reviewed the Cancer CAREpoint, Inc.'s 2021 financial statements and in our conclusion dated November 7, 2022, stated that based on our review, we were not aware of any material modifications that should be made to the 2021 financial statement in order for them to be in accordance with accounting principles generally accepted in the United States of America. We were not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2021, for it to be consistent with the reviewed financial statements from which it has been derived.

*Johanson & Yau Accountancy Corporation*

Campbell, California  
May 1, 2023

**CANCER CAREPOINT, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022**  
**(With Comparative Totals as of December 31, 2021)**

**ASSETS**

	<b>2022</b>	<b>2021*</b>
Current assets		
Cash	\$ 564,643	\$ 685,714
Investments - Note 4	1,235,026	1,344,771
Deposits	4,586	4,586
Prepaid expenses	38,692	25,760
Total current assets	1,842,947	2,060,831
Property and equipment, net - Note 5	3,280	8,516
	\$ 1,846,227	\$ 2,069,347

**LIABILITIES AND NET ASSETS**

Current liabilities		
Accounts payable	\$ 28,691	\$ 1,698
Accrued expenses	50,202	55,486
Total current liabilities	78,893	57,184
Net assets		
Without donor restrictions	1,681,043	1,918,515
With donor restrictions - Note 6	86,291	93,648
	1,767,334	2,012,163
	\$ 1,846,227	\$ 2,069,347

See accompanying notes to financial statements  
\* Derived from 2021 reviewed financial statements

**CANCER CAREPOINT, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**  
**(With Comparative Totals for the year ended December 31, 2021)**

	<b>2022</b>			<b>2021*</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Total</b>
Operating activities				
Revenues				
Contributions				
Public	\$ 1,576,518	\$ -	\$ 1,576,518	\$ 1,151,835
Corporate and foundation	109,952	52,648	162,600	253,102
Government grants	100,225	9,775	110,000	95,000
In-kind donated services and materials	275	-	275	1,150
Refundable advance forgiveness - Note 11	0	-	-	178,060
	<u>1,786,970</u>	<u>62,423</u>	<u>1,849,393</u>	<u>1,679,147</u>
Net assets released from restrictions	<u>69,780</u>	<u>(69,780)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>1,856,750</u>	<u>(7,357)</u>	<u>1,849,393</u>	<u>1,679,147</u>
Expenses				
Program services	<u>1,591,155</u>	<u>-</u>	<u>1,591,155</u>	<u>1,387,403</u>
Supporting services				
General and administrative	88,311	-	88,311	108,134
Fundraising costs	<u>369,768</u>	<u>-</u>	<u>369,768</u>	<u>286,631</u>
Total supporting services	<u>458,079</u>	<u>-</u>	<u>458,079</u>	<u>394,765</u>
Total supporting and program services	<u>2,049,234</u>	<u>-</u>	<u>2,049,234</u>	<u>1,782,168</u>
Non-operating activities				
Interest and dividends - Note 4	19,779	-	19,779	24,707
Net realized and unrealized investment gain (loss) - Note 4	<u>(64,767)</u>	<u>-</u>	<u>(64,767)</u>	<u>30,424</u>
	<u>(44,988)</u>	<u>-</u>	<u>(44,988)</u>	<u>55,131</u>
Change in net assets	<u>(237,472)</u>	<u>(7,357)</u>	<u>(244,829)</u>	<u>(47,890)</u>
Net assets, beginning of year	<u>1,918,515</u>	<u>93,648</u>	<u>2,012,163</u>	<u>2,060,053</u>
Net assets, end of year	<u>\$ 1,681,043</u>	<u>\$ 86,291</u>	<u>\$ 1,767,334</u>	<u>\$ 2,012,163</u>

See accompanying notes to financial statements  
\* Derived from 2021 reviewed financial statements

**CANCER CAREPOINT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**  
**(With Comparative Totals for the year ended December 31, 2021)**

	<b>2022</b>				<b>2021*</b>
	Program Services	General and Administrative	Fundraising	Total	Total
Salaries	\$ 1,027,067	\$ 23,227	\$ 61,932	\$ 1,112,226	\$ 1,023,032
Payroll taxes	81,888	1,715	4,794	88,397	85,078
Employee benefits	59,307	580	829	60,716	32,371
<b>Total salaries and related expenses</b>	<b>1,168,262</b>	<b>25,522</b>	<b>67,555</b>	<b>1,261,339</b>	<b>1,140,481</b>
Professional services	70,747	37,370	578	108,695	103,845
Food	3,724	382	721	4,827	17,569
Office maintenance and supplies	145,125	11	2,693	147,829	98,495
Telephone	6,796	-	764	7,560	10,624
Utilities	12,672	-	-	12,672	9,234
Postage and shipping	14,482	-	5,394	19,876	23,631
Building occupancy	85,488	-	-	85,488	83,724
Special event expense	35	5,525	248,908	254,468	153,329
Printing	23,452	-	10,443	33,895	23,660
Advertising	36,642	-	5,219	41,861	42,680
Travel, education and training	1,883	722	443	3,048	7,287
Insurance	4,857	5,884	755	11,496	9,347
Bank and credit card fees	40	-	17,304	17,344	12,075
Miscellaneous	16,950	8,256	8,991	34,197	27,624
<b>Total expenses before depreciation and in-kind expenses</b>	<b>1,591,155</b>	<b>83,672</b>	<b>369,768</b>	<b>2,044,595</b>	<b>1,763,605</b>
Depreciation and amortization	-	4,639	-	4,639	18,563
<b>Total functional expenses</b>	<b>\$ 1,591,155</b>	<b>\$ 88,311</b>	<b>\$ 369,768</b>	<b>\$ 2,049,234</b>	<b>\$ 1,782,168</b>

See accompanying notes to financial statements  
\* Derived from 2021 reviewed financial statements

**CANCER CAREPOINT, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**  
**(With Comparative Totals as of December 31, 2021)**

	<b>2022</b>	<b>2021*</b>
Cash flows from operating activities		
Change in net assets	\$ (244,829)	\$ (47,890)
Adjustments to reconcile change in net assets to net cash used for operating activities		
Depreciation	4,639	18,563
Forgiveness of refundable advance	-	(178,060)
Realized and unrealized gain on investments	64,767	(30,424)
Increase in assets		
Prepays and deposits	(12,932)	(15,636)
Increase (decrease) in liabilities		
Accounts payable	27,590	(2,843)
Accrued expenses	(5,284)	3,064
	(166,049)	(253,226)
Cash flows from investing activities		
Purchase of investments	(1,147,452)	(716,345)
Proceeds from refundable advance	-	178,060
Sale of investments	1,192,430	859,275
	44,978	320,990
Net increase (decrease) in cash	(121,071)	67,764
Cash, beginning of year	685,714	617,950
Cash, end of year	\$ 564,643	\$ 685,714

See accompanying notes to financial statements  
\* Derived from 2021 reviewed financial statements



**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 - SUMMARY OF ACTIVITIES**

Cancer CAREpoint (the Organization) was established in 2010 and is a not-for-profit organization dedicated to transforming support for cancer patients, families and caregivers in Silicon Valley through personalized, one-on-one Counseling, Assistance, Resources and Education. The Organization is the only community-based cancer care non-profit in the Bay Area offering non-medical support services to patients, survivors, caregivers and family members for any type of cancer diagnosis at no cost.

In October 2013 the Organization opened its current location in San Jose to provide a convenient, welcoming place for individuals and their families and caregivers to come for help through their cancer journey. The Organization offers wide variety of services, at no cost to patients, including exercise, nutrition, and mind-body skills, counseling and support groups, therapeutic massage and energy work, a Family CARE program, survivorship programs, special presentations, and a wig bank. Starting in 2016, the Organization also began offering programs at other locations, such as Santa Clara Valley Medical Center, other medical centers, and community centers.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Organization follows standards of accounting and financial reporting for not-for-profit organizations as prescribed by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board. The Organization reports its financial position and operational activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the 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; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations - The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's programs. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Revenue recognition - The Organization recognizes public support on the accrual basis of accounting. Public support is recordable on a net realizable value basis. Program service revenue is recognized in the period as earned.

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue recognition (Continued) - Contributions are recognized when the donor makes an unconditional promise to give. Contributions are recorded as net assets without donor restrictions or with donor restrictions depending on the nature of donor restrictions and depending on whether the restrictions are met in the current period. Restricted contributions are reported as increases in net assets without donor restrictions if the restrictions have been met in the current fiscal period. If the restriction has not been met by fiscal year end, the amount is reported as an increase in net assets with donor restrictions. When the restriction is met on a contribution received in a prior fiscal period, the amount is reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional promises to give are not included as support until the conditions are substantially met.

Contributions-in-kind - Donated equipment and other donated goods are recorded at their estimated value at the date of donation. Contributed services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded at the estimated fair value at the time services are rendered. The Organization also receives other donated services that do not require specific expertise but which are nonetheless essential to the Organization's operations. These contributed services are not reflected in the financial statements.

Cash - Cash consists of deposits with a bank which often exceed federally insured limits.

Investments - Investments in marketable securities with readily determinable fair value are stated at market value. Dividends and interest are accrued as earned and recorded as revenue without donor restrictions unless income is restricted by the donor.

Generally accepted accounting principles establish a hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Observable inputs are those that market participants would use in pricing the assets based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Values are unadjusted quoted prices for identical assets or liabilities in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property and equipment - Property and equipment are recorded at cost, or if contributed, at the estimated fair value when donated. Depreciation is computed using the straight-line method over estimated useful life of five years. Depreciation is recorded as a decrease in net assets without donor restrictions and the expense is charged to the activity benefiting from the use of the facilities or equipment.

Income taxes - The Organization is exempt from federal and state income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and similar state provisions and has been determined to be an organization which is not a private foundation.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prior year 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Concentration of credit risk - Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of cash and investments. Cash is deposited in local reputable banks and marketable securities are in the custody of a large financial institution. The credit risk in the pledges and grants receivable is mitigated by the fact that pledges are made by predominately local, repeat donors and are evaluated by the Organization based on personal contact and knowledge of the donors. The credit risk in investments described in Note 4 is mitigated by the fact that the Organization regularly reviews the investments and uses an outside investment manager.

Functional expenses - The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and supporting services. Such allocations are determined by management on an equitable basis.

Significant categories of expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and effort
Payroll taxes	Time and effort
Employee benefits	Time and effort
Professional services	Full Time Equivalent
Building occupancy	Square Footage
Office maintenance and supplies	Time and effort
Special event expense	Time and effort
Printing	Time and effort
Advertising	Time and effort

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Subsequent events - Subsequent events were evaluated through May 1, 2023, the date the financial statements were available to be issued.

**NOTE 3 - AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets at December 31, 2022:

Financial assets at year end:

Cash	\$ 564,643
Investments	<u>1,235,026</u>
Total financial assets	1,799,669

Less amounts not available to be used within one year:

Net assets with donor restrictions	<u>86,291</u>
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Financial assets available to meet general expenditures  
over the next twelve months

\$ 1,713,378

The Organization's goal is generally to maintain financial assets to meet operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 4 - INVESTMENTS IN MARKETABLE SECURITIES**

The cost and fair market value of the Organization's investments in marketable securities consisted of the following at December 31, 2022:

	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain</u>
Publicly traded equity securities:			
ETFs & CEFs	\$ 336,684	\$ 339,552	\$ 2,868
U.S. Treasury Securities	147,080	148,307	1,227
Certificates of deposit	<u>754,000</u>	<u>747,168</u>	<u>(6,832)</u>
Total investments	<u>\$ 1,237,764</u>	<u>\$ 1,235,027</u>	<u>\$ (2,737)</u>

The fair market value of marketable securities is based upon quoted market prices for identical assets (Level 1 input).

Net investment loss included in the statement of activities for the year ended December 31, 2022 consisted of the following:

Interest and dividend income	<u>\$ 19,779</u>
Net realized gain	29,499
Net unrealized loss	<u>(90,739)</u>
Net realized and unrealized loss on investments	<u>(61,240)</u>
Less investment fees	<u>(3,527)</u>
Total investment loss	<u>\$ (44,988)</u>

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 5 - PROPERTY AND EQUIPMENT**

The components of property and equipment are as follows for the year ended December 31, 2022:

Property and equipment	
Equipment	\$ 63,831
Software	10,599
Leasehold improvements	<u>198,624</u>
	273,054
Less accumulated depreciation and amortization	<u>(269,774)</u>
	<u>\$ 3,280</u>

Depreciation and amortization expense was \$4,639 for the year ended December 31, 2022.

**NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at December 31, 2022:

Counseling Services El Camino Hospital	\$ 15,648
MOCA Foundation - art programs & weekend exercise	32,000
MOCA Foundation - support communications associate staff position	23,868
Susan J. Seledon Fund through the Gilroy Foundation	5,000
County of Santa Clara Outreach	<u>9,775</u>
Total	<u>\$ 86,291</u>

Total release of restrictions was \$69,780 for the year ended December 31, 2022.

**NOTE 7 - RELATED PARTY TRANSACTIONS**

Donations from board members totaled \$133,669 for the year ended December 31, 2022.

**NOTE 8 - COMMITMENTS AND CONTINGENCIES**

The Organization has elected to be self-insured for California unemployment insurance. Amounts contingently payable under this arrangement are deemed immaterial.

**CANCER CAREPOINT, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 9 - LEASE**

The Company leases office space under a short-term non-cancellable lease agreement, classified as an operating lease, which expires in 2023. Future minimum lease payments for 2023 are expected to be \$100,824.

**NOTE 10 - RETIREMENT PLANS**

The Organization maintains a 401(k) plan covering all employees meeting minimum age and service requirements. The plan allows for discretionary employer matching contributions. Participants are fully vested in the matching contributions after three years of service as long as the participant has reached a minimum of 1,000 hours of service each year. The Organization did not make matching contributions for the year ended December 31, 2022.

**NOTE 11 - UNCERTAINTIES**

The COVID-19 outbreak is disrupting operations and affecting a range of industries. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on its members, employees and vendors, all of which are uncertain and cannot be predicted. As of the date of this report, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain. No adjustments relating to the effects of the pandemic have been recorded in the accompanying financial statements.