

COLORECTAL CANCER COALITION, INC.  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
JUNE 30, 2015

COLORECTAL CANCER COALITION, INC.

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

JUNE 30, 2015

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# Chaconas & Wilson, P.C.

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Colorectal Cancer Coalition, Inc.  
Alexandria, VA

We have audited the accompanying financial statements of the Colorectal Cancer Coalition, Inc. (a not for profit organization), which comprise the statement of financial position as of June 30, 2015 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 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 Colorectal Cancer Coalition, Inc. as of June 30, 2015 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.

Washington, DC  
September 21, 2015

*Chaconas & Wilson, P.C.*

COLORECTAL CANCER COALITION, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2015

ASSETS

**CURRENT ASSETS:**

Cash (Note 2)	\$	548,510
Unconditional promises to give (Notes 2 and 4)		49,950
Prepaid expenses		26,074
Inventory (Note 2)		11,303
Total Current Assets	\$	<u>635,837</u>

**PROPERTY AND EQUIPMENT, at cost (Note 2)**

Furniture and equipment	\$	24,843
Less: accumulated depreciation		(17,736)
Property and Equipment, net	\$	<u>7,107</u>

**OTHER ASSETS:**

Security deposit	\$	<u>3,500</u>
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**TOTAL ASSETS**

\$ 646,444

LIABILITIES AND NET ASSETS

**CURRENT LIABILITIES:**

Accounts payable	\$	35,070
Accrued payroll and vacation		30,174
Total Current Liabilities	\$	<u>65,244</u>

**NET ASSETS:**

Unrestricted (Note 2)	\$	56,345
Temporarily restricted (Notes 2 and 6)		524,855
Total Net Assets	\$	<u>581,200</u>

**TOTAL LIABILITIES AND NET ASSETS**

\$ 646,444

The accompanying notes are an integral part of this statement.

COLORECTAL CANCER COALITION, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2015

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES:</b>			
Contributions	\$ 559,473	\$ 759,406	\$ 1,318,879
Product Sales	45,307	-	45,307
In-kind donations (Note 2)	162,000	-	162,000
Interest income	496	-	496
Program fees	15,670	-	15,670
Other income	1,500	-	1,500
Net assets released from restriction:			
Satisfaction of program accomplishment	668,594	(668,594)	-
	<u>\$ 1,453,040</u>	<u>\$ 90,812</u>	<u>\$ 1,543,852</u>
Total Revenues			
<b>PROGRAM AND SUPPORTING SERVICES EXPENSES:</b>			
Program services:			
Awareness	\$ 996,783	\$ -	\$ 996,783
Policy	318,492	-	318,492
Research	70,011	-	70,011
Total Program Expenses	<u>\$ 1,385,286</u>	<u>\$ -</u>	<u>\$ 1,385,286</u>
Supporting services:			
Management and general	\$ 36,975	\$ -	\$ 36,975
Fundraising	80,860	-	80,860
Total Supporting Expenses	<u>\$ 117,835</u>	<u>\$ -</u>	<u>\$ 117,835</u>
Total Expenses	<u>\$ 1,503,121</u>	<u>\$ -</u>	<u>\$ 1,503,121</u>
<b>CHANGE IN NET ASSETS</b>	\$ (50,081)	\$ 90,812	\$ 40,731
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>106,426</u>	<u>434,043</u>	<u>540,469</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 56,345</u>	<u>\$ 524,855</u>	<u>\$ 581,200</u>

The accompanying notes are an integral part of this statement.

**COLORECTAL CANCER COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2015**

	Program Services			Supporting Services			Total
	Awareness	Policy	Research	Program Services	Management and General	Fundraising	
Accounting and bookkeeping	\$ 15,004	\$ 4,047	\$ 1,076	\$ 20,127	\$ 9,961	\$ 1,545	\$ 11,506
Advertising In kind	162,000	-	-	162,000	-	-	-
Bank charges and credit card fees	937	14	1	952	1	7,454	7,455
Dues and subscriptions	646	10,625	503	11,774	950	147	1,097
Employee benefits	31,924	8,871	2,350	43,145	1,460	3,525	4,985
Equipment rental	2,756	1,128	187	4,071	106	302	408
Filing fees	825	-	-	825	7,225	-	7,225
Insurance	4,351	1,216	284	5,851	172	468	640
Meeting expense	29,262	23,704	3,332	56,298	171	435	606
Miscellaneous	2,879	1,734	5,276	9,889	113	588	701
Office supplies and maintenance	6,122	1,546	427	8,095	184	527	711
Payroll service	1,782	496	121	2,399	70	184	254
Payroll taxes	24,496	6,949	1,701	33,146	955	2,648	3,603
Postage	12,496	1,025	303	13,824	71	390	461
Printing/Photography	15,860	4,798	886	21,544	82	963	1,045
Professional services	196,038	88,606	783	285,427	234	22,436	22,670
Promotion	36,025	4,188	3	40,216	33	300	333
Rent	32,168	8,972	2,237	43,377	1,290	3,484	4,774
Salaries	320,569	89,984	22,710	433,263	10,027	27,550	37,577
Sponsorships	-	-	535	535	-	-	-
Technology	19,218	4,026	873	24,117	544	3,061	3,605
Telephone and internet	10,558	2,965	767	14,290	415	1,132	1,547
Travel	70,867	53,598	25,656	150,121	2,911	3,721	6,632
<b>Total Expenses</b>	<b>\$ 996,783</b>	<b>\$ 318,492</b>	<b>\$ 70,011</b>	<b>\$ 1,385,286</b>	<b>\$ 36,975</b>	<b>\$ 80,860</b>	<b>\$ 117,835</b>
							<b>\$ 1,503,121</b>

The accompanying notes are an integral part of this statement.

COLORECTAL CANCER COALITION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2015

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ 40,731
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	3,238
Changes in assets and liabilities:	
Increase in unconditional promises to give	(31,950)
Increase in prepaid expenses	(5,635)
Increase in inventory	(3,488)
Decrease in accounts payable	(7,863)
Decrease in accrued payroll and vacation	(10,148)
	<hr/>
Net cash used in operating activities	\$ (15,115)

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of equipment	<u>\$ (3,398)</u>
Net cash used in investing activities	<u>\$ (3,398)</u>

**NET DECREASE IN CASH AND CASH EQUIVALENTS** \$ (18,513)

**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR** 567,023

**CASH AND CASH EQUIVALENTS, END OF YEAR** \$ 548,510

The accompanying notes are an integral part this statement.

COLORECTAL CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

Note 1. **Organization:**

Colorectal Cancer Coalition, Inc. (the Coalition) (d/b/a Fight Colorectal Cancer) is a not for profit organization incorporated in March 2005 in Delaware. The Coalition demands a cure for colon and rectal cancer. The Coalition educates and supports patients, pushes for changes in policy that will increase and improve research, and empowers survivors to raise their voices against the status quo. The Coalition's program areas are:

Awareness – Through their newsletters, events and website, the Coalition educates the public on key issues regarding prevention, diagnosis and treatment of colorectal cancer.

Policy – The Coalition advocates for increased funding for research, early screening and other measures to help combat colorectal cancer and its costs to the public.

Research – The Coalition works with researchers and health care providers to make sure that research and treatment is responsive to patient needs.

Note 2. **Summary of Significant Accounting Policies:**

**Method of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

**Contributions**

The Coalition recognizes contribution revenue when an unconditional pledge is made or when cash is received if a pledge was not made. Contributions received are reported as unrestricted, temporarily restricted, or permanently restricted, based on donor intent.

Contributions made by the Coalition are recognized as expense in the period the commitment is made.

In kind contributions are recorded at fair market value. For the year ended June 30, 2015 the Coalition received \$162,000 of donated services for publicity at colorectal cancer awareness events.

**Cash Equivalents**

The Coalition considers all short term investments with original maturities of three months or less to be cash equivalents.

The Coalition's demand deposits with financial institutions at times exceeded federally insured limits. The Coalition has not experienced any losses in such accounts, and management believes the Coalition is not exposed to any significant credit risks.



COLORECTAL CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2015

Note 2. **Summary of Significant Accounting Policies:** (Continued)

**Accounts Receivable**

Accounts receivable and promises to give are recorded at the amount the Coalition expects to collect on balances outstanding at the end of the fiscal year. Management closely monitors amounts receivable and charges off any balances that are determined to be uncollectible. At June 30, 2015, the Coalition's allowance for doubtful accounts was \$0. The Coalition had no bad debt expense for the year ended June 30, 2015.

**Inventory**

Inventory is stated at the lower of cost (using first in first out method) or net realizable value.

**Furniture and Equipment**

Furniture and equipment are stated at cost. Depreciation is calculated on a straight line basis over a three or five year estimated useful life. The Coalition capitalizes property and equipment purchases of \$500 or more.

**Classes of Net Assets**

The Coalition is required to report its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Unrestricted net assets are net assets without a donor imposed time and/or program restriction. The funds are available to the Coalition to maintain its operations.

Temporarily restricted net assets are contributions with donor imposed time and/or program restrictions. These temporary restrictions require that resources be used for specific purposes and/or in a later period or after a specified date. Temporarily restricted net assets become unrestricted when the time restrictions expire or the funds are used for their restricted purposes and are reported in the accompanying statement of activities as net assets released from restrictions. This method of accounting is also followed when the restrictions on contributions are met in the same period that the contributions are received.

Permanently restricted net assets must be maintained by the Coalition in perpetuity. There were no permanently restricted net assets as of June 30, 2015.

COLORECTAL CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2015

Note 2. **Summary of Significant Accounting Policies:** (Concluded)

**Functional Allocation of Expenses**

The allocation of the costs of providing various programs has been summarized on a functional basis in the accompanying statement of functional expenses. Accordingly, certain indirect costs have been allocated to program, fundraising, and management and general activities based on management's estimate of effort devoted to these activities

**Use of 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 and disclosure of contingent 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.

**Accounting for Uncertainty in Income Taxes**

The Coalition has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Income Taxes*, which prescribes measurement and disclosure requirements for current and deferred income tax provisions. The interpretation provides for a consistent approach in identifying and reporting uncertain tax positions. It is management's belief that the Coalition does not hold any uncertain tax positions.

The Coalition's Form 990, *Return of Organization Exempt from Income Tax* for the years ended 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after they were filed.

Note 3. **Tax Status:**

The Coalition has been recognized as exempt from federal income tax by the Internal Revenue Service under the provisions of Section 501(c)(3) of the Internal Revenue Code and is classified as an organization that is not a private foundation.

Note 4. **Unconditional Promises to Give:**

All unconditional promises to give are due in one year or less. As of June 30, 2015 the balance of unconditional promises to give was \$49,950.

COLORECTAL CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

JUNE 30, 2015

Note 5. **Operating Lease:**

The Coalition has an operating lease for office space that expires on November 1, 2016. Future minimum rental payments under the leases are as follows for the years ending June 30;

2016	\$	47,304
2017		<u>15,923</u>
Total	\$	<u>63,227</u>

Rent expense for the year ended June 30, 2015 was \$48,151.

Note 6. **Temporarily Restricted Net Assets:**

As of June 30, 2015 temporarily restricted net assets were available for the following purposes:

Awareness	\$	173,019
Research		<u>351,836</u>
Total	\$	<u>524,855</u>

Note 7. **Subsequent Events**

The Coalition has evaluated all subsequent events through September 21, 2015 which is the date the financial statements were available to be issued. No subsequent events requiring disclosure were identified based on this evaluation.

