

LYMPHOMA FOUNDATION OF AMERICA

FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION
with
REPORT OF INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANT

DECEMBER 31, 2017 AND 2016

LYMPHOMA FOUNDATION OF AMERICA

AUDITED FINANCIAL STATEMENTS

For the Years Ended December 31, 2017 and 2016

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

CERTIFICATE

Board of Directors
Lymphoma Foundation of America

We have audited the accompanying financial statements of the Lymphoma Foundation of America (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses and cash flows for the years 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 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 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 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 Lymphoma Foundation of America as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Walter, Boesky
& Associates, P.C.*

Southfield, Michigan
May 30, 2018

LYMPHOMA FOUNDATION OF AMERICA

STATEMENTS OF FINANCIAL POSITION

Years Ended December 31, 2017 and 2016

ASSETS	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Checking accounts	\$ 27,753	\$ 120,489
Certificate of deposit	<u>103,310</u>	<u>101,260</u>
Total cash and equivalents	131,063	221,749
Government obligations	157,339	96,065
Accounts Receivable	<u>983</u>	<u>216</u>
Total Current Assets	289,385	318,030
PROPERTY AND EQUIPMENT		
Property and equipment - at cost	1,803	1,803
Less accumulated depreciation and amortization	<u>(1,803)</u>	<u>(1,803)</u>
Total Property and Equipment	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 289,385</u>	<u>\$ 318,030</u>
LIABILITIES		
CURRENT LIABILITIES		
Accrued expenses	\$ -	\$ -
NET ASSETS	<u>289,385</u>	<u>318,030</u>
Total Liabilities and Net Assets	<u>\$ 289,385</u>	<u>\$ 318,030</u>

The accompanying notes and accountant's audit report
are an integral part of these financial statements.

LYMPHOMA FOUNDATION OF AMERICA

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
UNRESTRICTED NET ASSETS		
Revenue		
Contributions	\$ 104,871	\$ 103,562
Rental income	2,730	-
Investment income		
Interest income	4,302	6,262
Net realized / unrealized (depreciation) / appreciation in fair value of investments	<u>1,069</u>	<u>608</u>
Total Revenue	112,972	110,432
Expenses		
Program services	140,304	153,409
Administrative services	<u>1,313</u>	<u>1,544</u>
Total Expenses	<u>141,617</u>	<u>154,953</u>
Increase (Decrease) in Net Assets	(28,645)	(44,521)
Net Assets - Beginning of Year	<u>318,030</u>	<u>362,551</u>
Net Assets - End of Year	<u><u>\$ 289,385</u></u>	<u><u>\$ 318,030</u></u>

The accompanying notes and accountant's audit report
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LYMPHOMA FOUNDATION OF AMERICA

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ (28,645)	\$ (44,521)
Adjustments to reconcile net income to net cash provided by operating activities:		
Decrease (increase) in operating assets		
Accounts receivable	<u>(767)</u>	<u>(979)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of government obligations	(61,274)	-
Proceeds from sale of government obligations	<u>-</u>	<u>37,217</u>
Net cash used by investing activities	<u>(61,274)</u>	<u>37,217</u>
Net increase in cash and equivalents	(62,041)	36,238
Beginning cash and cash equivalents	<u>221,749</u>	<u>230,032</u>
Ending cash and cash equivalents	<u>\$ 159,708</u>	<u>\$ 266,270</u>

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LYMPHOMA FOUNDATION OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2017

	<u>Program Services</u>	<u>Administrative Services</u>	<u>Total</u>
Education and outreach	\$ 46,170	\$ -	\$ 46,170
Counseling and support services	68,328	200	68,528
Research	15,080	-	15,080
Subtotal	<u>129,578</u>	<u>200</u>	<u>129,778</u>
Audit and tax preparation	3,396	599	3,995
Conferences and meetings	1,921	-	1,921
Occupancy	5,230	-	5,230
Office expense	134	514	648
Postage	45	-	45
	<u>\$ 140,304</u>	<u>\$ 1,313</u>	<u>\$ 141,617</u>

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are an integral part of these financial statements.

LYMPHOMA FOUNDATION OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2016

	Program Services	Administrative Services	Total
Education and outreach	\$ 49,157	\$ -	\$ 49,157
Counseling and support services	64,404	136	64,540
Research	29,960	-	29,960
Subtotal	<u>143,521</u>	<u>136</u>	<u>143,657</u>
Audit and tax preparation	3,294	581	3,875
Conferences and meetings	1,369	-	1,369
Occupancy	5,100	-	5,100
Office expense	78	827	905
Postage	47	-	47
	<u>\$ 153,409</u>	<u>\$ 1,544</u>	<u>\$ 154,953</u>

The accompanying notes and accountant's audit report
are an integral part of these financial statements.

Lymphoma Foundation of America
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE A – NATURE OF OPERATIONS

The Lymphoma Foundation of America (the “Foundation”) is a national organization devoted solely to helping lymphoma patients and their families. The Foundation is an independent, non-profit charitable organization under the leadership of an appointed Board of Directors.

The Foundation is dedicated to helping people find the best care available for each specific type of lymphoma. It was founded in 1986 by people with lymphoma who came together to help each other recover from cancer.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation have been prepared in conformity with generally accepted accounting principles as applied to certain non-profit organizations.

A summary of the Foundation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Basis of Accounting

The records are maintained and these financial statements have been prepared using the accrual basis of accounting.

2. Cash Equivalents

Cash and cash equivalents are defined as highly liquid investments with maturity of three months or less at the date of purchase.

3. Furniture and Equipment

Property and equipment are carried at cost or, if donated, at market value at the date of donation. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets.

4. Contributions

Contributions are recorded at fair value when received and recognized as revenue concurrently.

5. Use of Estimates

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America, which require management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

Lymphoma Foundation of America
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Basis of Presentation

Net assets of the Foundation are classified as permanently restricted, temporarily restricted or unrestricted depending on the presence and characteristics of donor-imposed restrictions limiting the Foundation's ability to use or dispose of contributed assets or the economic benefit embodied in those assets. Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements results in temporarily restricted net assets. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity. Earnings, gains and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law. As of December 31, 2017, and 2016 there were no temporarily or permanently restricted assets.

7. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

8. Subsequent Events

The Foundation has evaluated subsequent events through May 30, 2018, the date the financial statements were available to be issued.

NOTE C - INCOME TAXES

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation has obtained a favorable tax determination letter from the Internal Revenue Service, and the Board of Directors believes that the Foundation continues to qualify and to operate in accordance with applicable provisions of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Foundation's financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Foundation is subject to routine audits by taxing jurisdictions; however there are currently no audits for any tax periods in progress. The trustees believe it is no longer subject to tax examinations for years prior to 2014.

Lymphoma Foundation of America
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE D - INVESTMENTS

The Foundation's balance of investments during 2017 and 2016 were unrestricted. Investments that represent 5% or more of the Foundation's net assets are separately identified.

	2017	2016
Government Obligations	\$ <u>157,339</u>	\$ <u>96,065</u>
Total	\$ <u><u>157,339</u></u>	\$ <u><u>96,065</u></u>

During 2017 and 2016, the Foundation's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$1,069 and \$608 as follows:

Net (Depreciation) / Appreciation in Fair Value	2017	2016
Government Obligations	\$ <u>1,069</u>	\$ <u>608</u>
Total	\$ <u><u>1,069</u></u>	\$ <u><u>608</u></u>

NOTE E - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurement and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

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

- Level 2 Inputs to the valuation methodology include:
 - Quote prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;

Lymphoma Foundation of America
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE E – FAIR VALUE MEASUREMENTS - Continued

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Common stocks, corporate bonds and U.S. Government securities: Valued at the closing price reported in the active market in which the individual security is traded.

Investments Assets at Fair Value as of December 31, 2017				
	Level 1	Level 2	Level 3	Total
Investments				
Government Obligations	\$ -	\$ 157,339	\$ -	\$ 157,339
Total Investments at Fair Value:	\$ -	\$ 157,339	\$ -	\$ 157,339

Investments Assets at Fair Value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Investments				
Government Obligations	\$ -	\$ 96,065	\$ -	\$ 96,065
Total Investments at Fair Value:	\$ -	\$ 96,065	\$ -	\$ 96,065