

**TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER
LOUISA M. MCGREGOR OVARIAN CANCER FOUNDATION
T.E.A.L.®**

FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020



SOBEL & CO. LLC

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

DECEMBER 31, 2021 AND 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Tell Every Amazing Lady About Ovarian Cancer
T.E.A.L.®
Brooklyn, New York

Opinion

We have audited the accompanying financial statements of Tell Every Amazing Lady About Ovarian Cancer which comprise the statement of financial position as of December 31, 2021 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Tell Every Amazing Lady About Ovarian Cancer as of December 31, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tell Every Amazing Lady About Ovarian Cancer and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Tell Every Amazing Lady About Ovarian Cancer for the year ended December 31, 2020, were audited by other auditors, whose report, dated November 8, 2021, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tell Every Amazing Lady About Ovarian Cancer ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Tell Every Amazing Lady About Ovarian Cancer's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tell Every Amazing Lady About Ovarian Cancer's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Certified Public Accountants

Livingston, New Jersey
July 22, 2022

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER
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STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2021	2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 350,429	\$ 413,461
Contributions receivable	131,520	83,468
Inventory	5,115	7,284
Prepaid expenses	19,687	18,233
Total Current Assets	506,751	522,446
NONCURRENT ASSETS:		
Property and equipment, net	740	3,707
Trademarks	16,001	16,001
Total Noncurrent Assets	16,741	19,708
Total Assets	\$ 523,492	\$ 542,154
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 11,451	\$ 13,680
COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Without donor restrictions	468,732	528,474
With donor restrictions	43,309	-
Total Net Assets	512,041	528,474
Total Liabilities and Net Assets	\$ 523,492	\$ 542,154

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER
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STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	Year Ended December 31, 2021			Year Ended December 31, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Support:						
Public contributions	\$ 178,766	\$ 66,309	\$ 245,075	\$ 153,438	\$ 19,545	\$ 172,983
Special events	63,073	-	63,073	106,376	-	106,376
Government contributions	174,490	-	174,490	197,637	-	197,637
Donated materials and services	36,347	-	36,347	63,293	-	63,293
Net assets released from restrictions	23,000	(23,000)	-	32,045	(32,045)	-
Total Support	475,676	43,309	518,985	552,789	(12,500)	540,289
Revenue:						
Interest and dividend income	284	-	284	682	-	682
Net sales	1,864	-	1,864	1,596	-	1,596
Less: Cost of goods sold	(2,169)	-	(2,169)	(156)	-	(156)
Total Revenue	(21)	-	(21)	1,440	-	1,440
Total Support and Revenue	475,655	43,309	518,964	554,911	(12,500)	542,411
EXPENSES:						
Program Services:						
Research	21,806	-	21,806	36,648	-	36,648
Awareness education	270,576	-	270,576	245,807	-	245,807
Survivor	106,488	-	106,488	123,385	-	123,385
Total Program Services	398,870	-	398,870	405,840	-	405,840
Supporting services:						
Management and general	95,986	-	95,986	100,606	-	100,606
Fundraising	40,541	-	40,541	46,749	-	46,749
Total Supporting Services	136,527	-	136,527	147,355	-	147,355
Total Expenses	535,397	-	535,397	553,195	-	553,195
CHANGES IN NET ASSETS	(59,742)	43,309	(16,433)	1,716	(12,500)	(10,784)
NET ASSETS - Beginning of year	528,474	-	528,474	526,758	12,500	539,258
NET ASSETS - End of year	\$ 468,732	\$ 43,309	\$ 512,041	\$ 528,474	\$ -	\$ 528,474

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services				Supporting Services			Total Expenses
	Research	Education	Survivor	Total	Management and General	Fundraising	Total	
Salaries	\$ 1,293	\$ 171,356	\$ 49,346	\$ 221,995	\$ 25,860	\$ 21,125	\$ 46,985	\$ 268,980
Payroll taxes	109	14,485	4,171	18,765	2,186	1,786	3,972	22,737
Benefits	27	2,128	602	2,757	330	276	606	3,363
Total salaries and related expenses	1,429	187,969	54,119	243,517	28,376	23,187	51,563	295,080
Research grants:								
Grants awarded	15,500	-	1,000	16,500	-	-	-	16,500
Occupancy:								
Rent	1,449	16,926	20,696	39,071	7,789	3,073	10,862	49,933
Property and casualty insurance	399	3,555	2,559	6,513	9,628	585	10,213	16,726
Telephone	134	1,125	884	2,143	402	134	536	2,679
Licenses, fees, and dues	972	928	257	2,157	41	4,124	4,165	6,322
Professional fees:								
Legal and accounting	-	877	10	887	29,016	5	29,021	29,908
Outside services	375	9,884	2,171	12,430	13,291	581	13,872	26,302
Administration:								
Mailing, printing, and postage	470	9,013	3,899	13,382	316	1,658	1,974	15,356
Office and miscellaneous	1,004	36,108	19,647	56,759	6,124	6,217	12,341	69,100
Bank charges	-	-	-	-	455	-	455	455
Travel	-	47	-	47	102	-	102	149
Advertising and public relations	44	3076	267	3,387	1	532	533	3,920
Depreciation	30	1068	979	2,077	445	445	890	2,967
Total Expenses	\$ 21,806	\$ 270,576	\$ 106,488	\$ 398,870	\$ 95,986	\$ 40,541	\$ 136,527	\$ 535,397

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services				Supporting Services			Total Expenses
	Research	Awareness Education	Survivor	Total	Management and General	Fundraising	Total	
Salaries	\$ 2,387	\$ 149,996	\$ 41,860	\$ 194,243	\$ 24,317	\$ 22,228	\$ 46,545	\$ 240,788
Payroll taxes	199	12,493	3,487	16,179	2,025	1,851	3,876	20,055
Benefits	32	1,987	554	2,573	322	294	616	3,189
Total salaries and related expenses	2,618	164,476	45,901	212,995	26,664	24,373	51,037	264,032
Research grants:								
Grants awarded	29,000	-	1,000	30,000	-	-	-	30,000
Occupancy:								
Rent	1,420	16,437	20,334	38,191	7,690	2,987	10,677	48,868
Property and casualty insurance	378	8,571	3,444	12,393	1,809	1,114	2,923	15,316
Telephone	105	886	696	1,687	316	105	421	2,108
Licenses, fees, and dues	274	622	181	1,077	978	4,376	5,354	6,431
Professional fees:				-				
Legal and accounting	-	-	-	-	38,638	-	38,638	38,638
Outside services	701	14,301	10,905	25,907	10,569	2,329	12,898	38,805
Administration:				-				
Mailing, printing, and postage	341	5,430	5,319	11,090	1,084	2,626	3,710	14,800
Office and miscellaneous	1,811	33,705	35,562	71,078	11,588	6,476	18,064	89,142
Bank charges	-	-	-	-	327	-	327	327
Meals and entertainment	-	24	19	43	-	3	3	46
Travel	-	135	22	157	-	20	20	177
Advertising and public relations	-	567	2	569	-	234	234	803
Depreciation	-	653	-	653	943	2,106	3,049	3,702
Total Expenses	\$ 36,648	\$ 245,807	\$ 123,385	\$ 405,840	\$ 100,606	\$ 46,749	\$ 147,355	\$ 553,195

The accompanying notes are an integral part of these financial statements.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER
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STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2021	2020
CASH FLOWS (USED FOR) PROVIDED BY:		
<u>OPERATING ACTIVITIES:</u>		
Changes in net assets	\$ (16,433)	\$ (10,784)
Adjustments to reconcile changes in net assets to net cash (used for) provided by operating activities:		
Depreciation	2,967	3,702
Changes in certain assets and liabilities:		
Contribution receivable	(48,052)	24,110
Inventory	2,169	(902)
Prepaid expenses	(1,454)	4,613
Accounts payable and accrued expenses	(2,229)	5,561
Net Cash (Used for) Provided by Operating Activities	<u>(63,032)</u>	<u>26,300</u>
 NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	 (63,032)	 26,300
 CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>413,461</u>	<u>387,161</u>
End of year	<u>\$ 350,429</u>	<u>\$ 413,461</u>

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 1 - NATURE OF ORGANIZATION:

Tell Every Amazing Lady About Ovarian Cancer (“Foundation”) is a not-for-profit entity, organized in the state of New York in April 2009, to hold and sponsor events to raise awareness of the early symptoms of ovarian cancer, and to promote early detection and education of the signs, symptoms and risk factors of ovarian cancer, while providing support to survivors and raising funds in order to find the cure for ovarian cancer.

The Foundation awards grants to research foundations in the United States of America. Proposals are brought to the Foundation’s Board of Directors for approval. Grants are made by the Foundation based on the Board of Directors’ evaluations and the amount of funding available to support the grant proposals. The Foundation has always had more proposals worthy of funding than available. Although it is not the intention of the Foundation to award grants that will extend over multiple years, each multi-year grant is subject to an annual review and re-approval by the Board of Directors. Accordingly, only the amount of grants awarded or approved in the current year is reported as an expense in the accompanying financial statement. The Foundation also publishes information that encourages an understanding of all aspects of early detection of ovarian cancer, its treatments and the research that is ongoing in the U.S. and across the globe to stem the spread and devastation of the disease.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation:

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. Also included in this classification are net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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

Cash and Cash Equivalents:

Cash consists of funds maintained in bank accounts. Cash equivalents include short-term, highly liquid money market funds.

Contributions Receivable:

Contributions receivable are stated at the amount management expects to collect from outstanding balances. The Foundation charges uncollectible receivables to operations when determined to be uncollectible based on historical trends. As of December 31, 2021 and 2020, an allowance for uncollectible receivables was deemed not necessary.

Inventory:

Inventory consists of promotional clothing and merchandise purchased for resale and is stated at lower of cost, on a first-in, first-out basis, or net realizable value.

Property and Equipment:

Property and equipment is recorded at cost on the date of acquisition or at the fair market value of the asset based on values of comparable assets at the date of gift for donations. Depreciation is computed using the straight-line method over estimated useful lives ranging from 5 to 10 years. When assets are retired or otherwise disposed of, the costs and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the change in net assets for the period. The cost of maintenance and repairs is charged to expense as incurred.

Trademark:

Trademarks are considered to have indefinite lives, and generally accepted accounting principles does not allow for amortization. As of December 31, 2021 and 2020, there was no impairment of the trademarks.

Support:

Grants and contributions are recognized as revenue when the contributions are received or unconditionally pledged to the Foundation. All grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets or the time of availability. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restriction. It is the policy of the Foundation to present restricted contributions, whose restrictions are satisfied in the same reporting period as unrestricted contributions, in the statement of activities and changes in net assets.

Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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

In-kind Contributions:

The Foundation may receive donated goods and services that create or enhance nonfinancial assets and allow the Foundation to fulfill its mission. Donations of tangible assets are recognized at fair market value when received. Donated services are recognized if the services received either create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind contributions consist of management and general supporting professional services for approximately \$10,000 and \$48,000 for the years ended December 31, 2021 and 2020, respectively. For the years ended December 31, 2021 and 2020, the Foundation received approximately \$27,000 and \$15,000, respectively, in donated materials. These contributions are reflected in the financial statements at their estimated fair market value as of the date of receipt.

The Foundation also regularly receives services from volunteers who are not acting in a professional capacity. Such volunteer services do not meet the criteria for financial statement recognition and are not recognized in the financial statements.

Income Taxes:

The Foundation is a not-for-profit organization that is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law.

The Foundation follows standards that provide clarification on accounting for uncertainty in income taxes recognized in the Foundation's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Foundation's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the years ended December 31, 2021, and 2020. At December 31, 2021 and 2020, there were no significant income tax uncertainties.

Advertising:

All advertising costs are expensed in the year they are incurred. During the years ended December 31, 2021 and 2020, the Foundation had \$3,920 and \$803 in advertising and public relations costs, respectively.

Reclassification:

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Use of Estimates:

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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

Recent Accounting Pronouncements – Leases:

In February 2016, the Financial Accounting Standards Board issued an accounting pronouncement, *Leases*, which requires lessees to recognize a right-of-use asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Under this new pronouncement, a modified retrospective transition approach or a cumulative-effect adjustment transition approach may be used, and the new standard is applied to all leases existing at the date of initial application. An organization may choose (1) its effective date, or (2) the beginning of the earliest comparative period presented in the financial statement as its date of initial application. The standard is effective for annual reporting periods beginning after December 15, 2021. Early adoption is permitted subject to certain limitations. The Foundation is currently evaluating the effect the provisions of this standard will have on the financial statements.

Subsequent Events:

The Foundation has evaluated its subsequent events and transactions occurring after December 31, 2021 through July 22, 2022, the date the financial statements were available to be issued.

NOTE 3 - CONTRIBUTIONS RECEIVABLE:

Contributions receivable consisted for the following:

	December 31,	
	2021	2020
Contributions receivable	\$ 67,332	\$ 3,408
Grants receivable	64,188	80,060
	<u>\$ 131,520</u>	<u>\$ 83,468</u>

The Foundation receives grant funding from the City of New York Department of Health to support awareness and education.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 4 - PROPERTY AND EQUIPMENT:

Property and equipment is comprised of the following:

	December 31,	
	2021	2020
Leasehold improvements	\$ 7,685	\$ 7,685
Software	15,601	15,601
	<u>23,286</u>	<u>23,286</u>
Less: Accumulated depreciation	22,546	19,579
Property and Equipment, Net	<u>\$ 740</u>	<u>\$ 3,707</u>

NOTE 5 - PAYCHECK PROTECTION PROGRAM:

The Foundation obtained Paycheck Protection Program (“PPP”) loans under the CARES Act in May 2020 for \$25,000 and May 2021 for \$48,572. The Foundation recorded the PPP funds received as a conditional government grant and recognized revenue when the conditions set forth by the U.S. Small Business Administration (“SBA”) were satisfied. The Foundation received formal forgiveness for the first loan in July 2021, and forgiveness for the second loan in November 2021. All amounts received under the PPP were recognized as revenue from government grants on the statements of activities and changes in net assets. The SBA reserves the right to audit loan forgiveness six years from the date loan forgiveness was awarded.

NOTE 6 - LINE OF CREDIT:

On June 8, 2018, the Foundation signed an agreement for a revolving line of credit in the amount of \$88,000 for the term of July 1, 2018 through June 1, 2021. There were no outstanding borrowings during the year ended December 31, 2020. During the year ended December 31, 2021, the line of credit expired and was not renewed.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 7 - NET ASSETS WITH DONOR-IMPOSED PURPOSE AND TIME RESTRICTIONS:

Net assets with donor-imposed purpose and time restrictions consist of the following:

	December 31, 2021
Medical research	\$ 2,279
Survivor program	41,030
	<u>\$ 43,309</u>

There were no net assets with donor restrictions for the year ended December 31, 2020.

NOTE 8 - SPECIAL EVENTS:

The Foundation conducts special events during the course of the year, including sporting events and others intended to further the mission of the Foundation. If certain criteria related to the purpose, audience and content of the event are met, costs incurred jointly to support the program or management and general functions, and the fundraising functions of the event, are allocated to the appropriate functional categories in the statements of functional expenses. If the criteria related to the purpose, audience and content of the event are not met, all costs of the event are considered program service expenses. In all cases, the cost of goods or services provided in an exchange transaction that is part of the joint activity, such as costs of direct donor benefits of a special event (e.g., a ticket or meal) is not reported as program service costs but rather as a net reduction of special event income in the statements of activities. For the years ended December 31, 2021 and 2020, all special event expenses, except for the cost of direct benefit to donors, were attributable to program services.

NOTE 9 - FUNCTIONAL EXPENSES:

The costs of program and supporting services have been summarized on a functional basis in the statements of functional expenses. Certain indirect costs have been allocated by management between program and supporting services based on a percentage of direct program expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, and employee benefits, which are allocated based on estimates of time and effort. Other allocated expenses include rent, office supplies and other office expenses which are allocated in proportion to direct costs.

TELL EVERY AMAZING LADY ABOUT OVARIAN CANCER

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 9 - FUNCTIONAL EXPENSES: (Continued)

Management and general expenses includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Foundation's program strategy, secure proper administrative functioning of the Board of Directors, maintain competent legal services for the program administration of the Foundation, and manage the financial and budgetary responsibility of the Foundation. Management and general expenses represented approximately 18% of total expenses for the years ended December 31, 2021 and 2020, respectively.

Fundraising provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations. Fundraising expenses represented approximately 8% of the Foundation's total expenses for the years ended December 31, 2021 and 2020, respectively.

NOTE 10 - OPERATING LEASE:

In May 2021, the Foundation renewed its lease for office space located at 533 16th Street, Brooklyn, New York, for an additional two years, commencing on June 1, 2021. The lease requires monthly payments of \$2,450 for the first year and monthly payments of \$2,600 in the second year. In addition, the Foundation also renewed its lease located at 535 16th Street, Brooklyn, New York, for additional office space for an additional two years. The lease requires monthly payments of \$1,200 for the first year and monthly payments of \$1,250 in the second year. Rent expense amounted to approximately \$50,000 and \$49,000 for the years ended December 31, 2021 and 2020, respectively. These amounts are recorded within occupancy on the statements of functional expenses.

Future minimum lease payments are as follows:

Year Ended	
December 31,	
2022	\$ 46,150
2023	19,750
	<u>\$ 65,900</u>

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 11 – CONCENTRATIONS, RISK AND UNCERTAINTIES:

One donor accounted for 50% and 96% of the contributions receivable as of December 31, 2021 and 2020, respectively. During the years ended December 31, 2021 and 2020, the Foundation received donations of approximately 47% and 32% of total revenue from the same donor.

Financial instruments that potentially expose the Foundation to concentrations of credit risk and market risk consist of cash and cash equivalents. The Foundation maintains its cash and cash equivalents in accounts with federally insured institutions. At times, the balances in these accounts may be in excess of federally insured limits.

The Foundation is actively monitoring the ongoing COVID-19 outbreak and its potential impact on the employees, volunteers, donors, clients, and operations. It is not known at this time how much effect the virus will have on operations and/or financial results. The potential impact of COVID-19 is not foreseeable due to various uncertainties, including the severity of the disease, the duration of the outbreak, and action that may be taken by governmental authorities.

NOTE 12 - LIQUIDITY AND AVAILABILITY:

The following represents the Foundation's financial assets reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside by the Board of Directors that could be drawn upon if the Board approves that action.

	December 31,	
	2021	2020
Cash and cash equivalents	\$ 350,429	\$ 413,461
Contributions receivable	131,520	83,468
Total Net Financial Assets	<u>\$ 481,949</u>	<u>\$ 496,929</u>

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity plan, excess cash is maintained in money market accounts.