



# **CHILDREN'S CANCER CENTER, INC.**

## **FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

# CHILDREN'S CANCER CENTER, INC.

## FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
Children's Cancer Center, Inc.  
Tampa, Florida

We have audited the accompanying financial statements of Children's Cancer Center, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and changes in net assets, 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 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 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 Children's Cancer Center, Inc. as of June 30, 2018 and 2017, 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.

A handwritten signature in cursive script that reads 'Reeder &amp; Associates, PA'.

Certified Public Accountants  
September 25, 2018

**CHILDREN'S CANCER CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 510,871	\$ 344,134
Investments	707,784	630,826
Pledge receivable	12,020	7,517
Prepaid expenses and other assets	5,429	8,299
Gift cards	<u>6,410</u>	<u>7,145</u>
<b>Total Current Assets</b>	1,242,514	997,921
Beneficial interest in Community Foundation	12,130	11,822
Property and equipment, net of accumulated depreciation	<u>883,155</u>	<u>940,005</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,137,799</u></u>	<u><u>\$ 1,949,748</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 29,231	\$ 43,344
Deferred revenue	<u>3,000</u>	<u>-</u>
<b>Total Liabilities</b>	<u>32,231</u>	<u>43,344</u>
<b>NET ASSETS</b>		
Unrestricted		
Unrestricted, undesignated	877,082	692,203
Unrestricted, net investment in property and equipment	<u>883,155</u>	<u>940,005</u>
Total Unrestricted Net Assets	1,760,237	1,632,208
Temporarily restricted	345,331	274,196
Permanently restricted	<u>-</u>	<u>-</u>
<b>Total Net Assets</b>	<u>2,105,568</u>	<u>1,906,404</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,137,799</u></u>	<u><u>\$ 1,949,748</u></u>

Read Report of Independent Certified Public Accountants.  
The accompanying notes are an integral part  
of these financial statements.

**CHILDREN'S CANCER CENTER, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b><i>Changes in Unrestricted Net Assets</i></b>		
<b>REVENUES</b>		
Contributions	\$ 692,526	\$ 561,059
Grants and other agreements	26,594	184,145
In-kind contributions	188,927	194,625
Investment return, net of expenses	17,480	28,050
Other income	3,200	-
Net assets released from restrictions	<u>53,943</u>	<u>81,420</u>
	<u>982,670</u>	<u>1,049,299</u>
Christmas card sales and donations	41,897	38,414
Cost of sales - Christmas cards	<u>(12,853)</u>	<u>(24,319)</u>
	<u>29,044</u>	<u>14,095</u>
Special events	723,014	599,391
Less direct costs of special events	<u>(239,366)</u>	<u>(222,232)</u>
	<u>483,648</u>	<u>377,159</u>
Total Unrestricted Revenues	<u>1,495,362</u>	<u>1,440,553</u>
<b>EXPENSES</b>		
<i>Program Services:</i>		
Patient and family services	1,009,033	986,535
Community relations	<u>58,207</u>	<u>53,427</u>
<i>Total Program Services</i>	<u>1,067,240</u>	<u>1,039,962</u>
<i>Support Services:</i>		
Management and general	105,188	107,221
Fundraising	<u>194,905</u>	<u>159,513</u>
<i>Total Support Services</i>	<u>300,093</u>	<u>266,734</u>
<b>Total Expenses</b>	<u>1,367,333</u>	<u>1,306,696</u>
<b>Change in Unrestricted Net Assets</b>	<u>128,029</u>	<u>133,857</u>
<b><i>Changes in Temporarily Restricted Net Assets</i></b>		
Contributions	120,198	150,392
Investment return, net of expenses	4,880	7,540
Net assets released from restrictions	<u>(53,943)</u>	<u>(81,420)</u>
<b>Change in Temporarily Restricted Net Assets</b>	<u>71,135</u>	<u>76,512</u>
<b>CHANGE IN NET ASSETS</b>	<u>199,164</u>	<u>210,369</u>
<b>NET ASSETS, beginning of year</b>	<u>1,906,404</u>	<u>1,696,035</u>
<b>NET ASSETS, end of year</b>	<u><u>\$ 2,105,568</u></u>	<u><u>\$ 1,906,404</u></u>

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of these financial statements.

**CHILDREN'S CANCER CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	Program Services		Support Services			
	Patient and Family Services	Community Relations	Total Program Services	General and Administrative	Fund-raising	Total Support Services
						Total Expense
Salaries	\$ 291,252	\$ 32,361	\$ 323,613	\$ 51,542	\$ 89,724	\$ 141,266
Payroll taxes	22,318	2,480	24,798	3,948	6,875	10,823
Employee benefits	40,160	4,462	44,622	7,968	7,103	15,071
						\$ 464,879
						35,621
						59,693
Total salaries and related expenses	353,730	39,303	393,033	63,458	103,702	167,160
						560,193
Direct assistance	64,948	-	64,948	-	-	-
Patient support	132,440	-	132,440	-	-	-
Patient camp	42,172	-	42,172	-	-	-
Family support	180,004	-	180,004	-	-	-
Scholarships	66,000	-	66,000	-	-	-
Community relations events	-	17,909	17,909	-	-	-
Building expense	36,562	-	36,562	5,746	9,924	15,670
Office expense	36,399	-	36,399	5,720	9,880	15,600
Training, meetings and travel	8,435	-	8,435	3,107	7,139	10,246
Postage	-	995	995	153	383	536
Marketing/Development	-	-	-	-	46,888	46,888
Professional fees	25,754	-	25,754	17,169	-	17,169
Miscellaneous	12,068	-	12,068	1,896	3,276	5,172
Total expenses before depreciation	958,512	58,207	1,016,719	97,249	181,192	278,441
						1,295,160
Depreciation	50,521	-	50,521	7,939	13,713	21,652
						72,173
Total expenses	\$ 1,009,033	\$ 58,207	\$ 1,067,240	\$ 105,188	\$ 194,905	\$ 300,093
						\$ 1,367,333

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	Program Services			Support Services		
	Patient and Family Services	Community Relations	Total Program Services	General and Administrative	Fund-raising	Total Support Services
	\$ 260,173	\$ 28,908	\$ 289,081	\$ 48,092	\$ 108,736	\$ 156,828
Salaries	19,958	2,218	22,176	3,687	8,341	12,028
Payroll taxes	28,542	3,171	31,713	4,987	5,958	10,945
Employee benefits						
						\$ 445,909
						\$ 34,204
						42,658
Total salaries and related expenses	308,673	34,297	342,970	56,766	123,035	179,801
						522,771
Direct assistance	62,072	-	62,072	-	-	-
Patient support	138,075	-	138,075	-	-	-
Patient camp	37,209	-	37,209	-	-	-
Family support	162,346	-	162,346	-	-	-
Scholarships	64,500	-	64,500	-	-	-
Community relations events	-	17,491	17,491	-	-	-
Building expense	50,816	-	50,816	8,967	-	8,967
Office expense	55,182	-	55,182	8,440	1,298	9,738
Training, meetings and travel	5,777	-	5,777	978	2,133	3,111
Postage	-	1,639	1,639	252	630	882
Marketing/Development	-	-	-	-	29,747	29,747
Professional fees	28,336	-	28,336	18,891	-	18,891
Miscellaneous	7,232	-	7,232	1,224	2,670	3,894
						11,126
Total expenses before depreciation	920,218	53,427	973,645	95,518	159,513	255,031
						1,228,676
Depreciation	66,317	-	66,317	11,703	-	11,703
						78,020
Total expenses	\$ 986,535	\$ 53,427	\$ 1,039,962	\$ 107,221	\$ 159,513	\$ 266,734
						\$ 1,306,696

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**CHILDREN'S CANCER CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 199,164	\$ 210,369
<i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</i>		
Depreciation	72,173	78,020
Net (gain) loss on investments	(15,275)	(30,670)
Donated stock	(5,097)	-
(Increase) decrease in pledges receivable	(4,503)	20,502
(Increase) decrease in prepaid expenses	2,870	(2,299)
(Increase) decrease in donated gift cards	735	759
Increase (decrease) in accounts payable	(14,113)	2,797
Increase (decrease) in accrued expenses	-	(71)
Increase (decrease) in deferred revenue	<u>3,000</u>	<u>-</u>
Total Adjustments	<u>39,790</u>	<u>69,038</u>
Net Cash Provided by (Used in) Operating Activities	<u>238,954</u>	<u>279,407</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(15,323)	(28,767)
Purchases of investments	<u>(56,894)</u>	<u>(207,258)</u>
Net Cash Provided by (Used in) Investing Activities	<u>(72,217)</u>	<u>(236,025)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	166,737	43,382
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>344,134</u>	<u>300,752</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 510,871</u>	<u>\$ 344,134</u>
<b>Supplemental Disclosure of Noncash Investing Activity</b>		
Disposal of fully depreciated equipment	<u>\$ -</u>	<u>\$ 63,856</u>

Read Report of Independent Certified Public Accountants.  
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**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE A - DESCRIPTION OF ORGANIZATION**

The Children's Cancer Center, Inc. (the Organization) is a not-for-profit corporation organized in 1974 to support children who suffer from cancer and chronic blood disorders by offering the following services:

**Patient and Family Services** provide emotional, educational and financial support for patients and their families. Family recreational activities, peer support and art and crafts are ways for the child and family to have an emotional outlet. The education programs help children understand their illnesses and financial assistance is available for travel, medications, funeral and additional expenses on an as needed basis.

**Community Relations** works with the medical and psychological staff in community hospitals to create a supportive environment for pediatric hematology / oncology patients and their families. Through this program, a representative meets with newly diagnosed patients and their families to introduce them to the services of the Center.

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

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. 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 Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations, including restricted contributions whose restrictions are met in the same reporting period.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

The Organization had no permanently restricted net assets at June 30, 2018 or 2017.

**Use of Estimates**

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Estimates also affect the reported amounts of increases or decreases in net assets during the reporting period. Accordingly, actual results may differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers currency on hand, demand deposits and money market funds as cash for purposes of the Statement of Cash Flows.

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and Equipment**

Property and equipment are stated at historical cost and depreciated using the straight line method over the estimated useful lives of each asset ranging from 3 to 39 years. Acquisitions of property and equipment in excess of \$500 are capitalized. Maintenance and repairs are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in earnings.

**Fair Value of Financial Instruments**

Professional standards require disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash and other current assets and liabilities. For these financial instruments, carrying values approximate fair value due to the short term nature of these instruments.

**Volunteer Contributions**

A substantial number of unpaid volunteers have made significant contributions of their time to develop and maintain the Organization's programs. No amounts have been reported in the financial statements for voluntary donation of services because no objective basis is available to measure the value of such donations.

**In-kind Contributions**

The Organization recognizes certain materials and goods primarily related to program activities. These donated materials and goods when received are reflected as contributions in the financial statements at their estimated fair values at the date of receipt. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by expenses included in patient and family support. In kind contributions of materials and goods totaled \$188,927 and \$194,625 for the years ended June 30, 2018 and 2017, respectively. At June 30, 2018 an additional \$1,900 of donated gift cards are temporarily restricted until used in program activities (\$2,161 at June 30, 2017).

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist of cash and cash equivalents at June 30, 2018 and 2017. The Organization places its cash with creditworthy, high quality financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The amount in excess of the FDIC limit totaled \$275,729 and \$102,273 at June 30, 2018 and 2017, respectively. The Organization has not experienced any losses on its deposits.

Investments that potentially subject the Organization to concentrations of credit risk consist principally of investments in mutual funds. Monthly portfolio reviews are performed to assist in the detection of any concentrations of risk. Management does not believe that any concentrations in investments exist.

**Pledges Receivable**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. The Organization does not maintain an allowance for estimated uncollectible accounts as management believes all amounts to be fully collectible. No amounts were subsequently written off with respect to the amounts recorded at June 30, 2018 and 2017.

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Prepaid Expenses**

Prepaid expenses consist of amounts paid in advance for expenses related to the special events that have not yet taken place. This policy allows for the proper matching of expenses and the related revenue. The expenses are recognized in the Statement of Activities and Changes in Net Assets upon completion of each scheduled event.

**Functional Allocation of Expenses**

The costs of providing the various programs have been summarized on a functional basis in the statement of functional expenses. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries and other expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided.

**Income Tax Status**

The Organization is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code and from state income taxes under the provision of the Florida Statutes. The Organization is treated as a public supported organization, and not as a private foundation. Management is not aware of any activities that would jeopardize the Organization's tax-exempt status.

The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Organization reports no unrelated taxable income; however, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authority.

The Organization accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards, the Organization recognizes tax positions only to the extent that Management believes it is "more likely than not" that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements for the years ended June 30, 2018 and 2017.

The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2018 and 2017.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to June 30, 2015.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

**Reclassifications**

Certain 2017 amounts have been reclassified to conform to the 2018 presentation.

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE C - INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Professional standards establish a framework for measuring fair value. The 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

**Level 1**

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

**Level 2**

Inputs to the valuation methodology include:

- Quoted 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;
- 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's 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 input and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for the assets measured at fair value:

Investments in mutual funds, stocks and money market funds are valued at the closing price on the active market which the individual securities are traded.

Beneficial interest in Community Foundation is valued at the fair value of the investments in the related trust.

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE C - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)**

Fair values of assets measured on a recurring basis at June 30, 2018 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Level 1	Level 2	Level 3
Mutual Funds				
US equity – large cap	\$ 120,378	\$ 120,378	\$ -	\$ -
US equity – mid cap	32,139	32,139	-	-
US equity – small cap	20,896	20,896	-	-
International developed markets	88,955	88,955	-	-
International emerging markets	46,711	46,711	-	-
Real estate securities	14,335	14,335	-	-
Commodities	26,986	26,986	-	-
Fixed income	341,400	341,400	-	-
Money market	14,490	14,490	-	-
Stocks	1,494	1,494	-	-
Beneficial interest in Community Foundation	12,130	-	-	12,130
	<u>\$ 719,914</u>	<u>\$ 707,784</u>	<u>\$ -</u>	<u>\$ 12,130</u>

Fair values of assets measured on a recurring basis at June 30, 2017 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Level 1	Level 2	Level 3
Mutual Funds				
US equity – large cap	\$ 105,792	\$ 105,792	\$ -	\$ -
US equity – mid cap	31,137	31,137	-	-
US equity – small cap	18,512	18,512	-	-
International developed markets	65,893	65,893	-	-
International emerging markets	30,368	30,368	-	-
Real estate securities	25,052	25,052	-	-
Commodities	23,141	23,141	-	-
Fixed income	316,722	316,722	-	-
Money market	12,715	12,715	-	-
Stocks	1,494	1,494	-	-
Beneficial interest in Community Foundation	11,822	-	-	11,822
	<u>\$ 642,648</u>	<u>\$ 630,826</u>	<u>\$ -</u>	<u>\$ 11,822</u>

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

July 1, 2016	\$ 10,957
Net realized and unrealized gains or losses	<u>865</u>
June 30, 2017	11,822
Net realized and unrealized gains or losses	<u>308</u>
June 30, 2018	<u>\$ 12,130</u>

Read Report of Independent Certified Public Accountants.

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE C - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)**

Investment return consists of the following for the years ended June 30, 2018 and 2017:

	<b>2018</b>	<b>2017</b>
Interest and dividends	\$ 14,530	\$ 10,519
Realized and unrealized gains (losses)	<u>15,275</u>	<u>30,670</u>
	29,805	41,189
Less: investment expenses	<u>(7,445)</u>	<u>(5,599)</u>
	<u><u>\$ 22,360</u></u>	<u><u>\$ 35,590</u></u>

**NOTE D - BENEFICIAL INTEREST IN COMMUNITY FOUNDATION**

The Community Foundation of Tampa Bay, Inc. (Community Foundation) holds funds for which the earnings have been restricted for the benefit of the Organization. Assets contributed to the Community Foundation for the benefit of the Organization are recorded as assets of the Organization in accordance with professional standards. These "agency restricted funds" are pooled with the other assets of the Community Foundation for investing purposes.

"Agency restricted funds" which were established for the Organization within the Community Foundation had fair values of approximately \$12,130 at June 30, 2018 (\$11,822 at June 30, 2017) and are recorded as temporarily restricted net assets.

**NOTE E - PROPERTY AND EQUIPMENT**

Property and equipment, at costs, at June 30:

	<b>2018</b>	<b>2017</b>
Building and land	\$ 761,315	\$ 761,315
Motor vehicles and equipment	169,553	154,230
Furniture and fixtures	65,329	65,329
Property improvements	108,388	108,388
Building improvements	<u>630,954</u>	<u>630,954</u>
Total property and equipment	1,735,539	1,720,216
Less: accumulated depreciation	<u>(852,384)</u>	<u>(780,211)</u>
Net property and equipment	<u><u>\$ 883,155</u></u>	<u><u>\$ 940,005</u></u>

**CHILDREN'S CANCER CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2017**

**NOTE F - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
The Community Foundation of Tampa Bay – investment purposes	\$ 12,130	\$ 11,822
Backyard renovation	150,030	50,000
Financial assistance for families	-	17,811
Educational initiatives for patients and siblings	20,198	36,132
Playground fund	<u>162,973</u>	<u>158,431</u>
	<u>\$ 345,331</u>	<u>\$ 274,196</u>

Net assets were released from restrictions satisfying the purpose restrictions specified as follows:

	<u>2018</u>	<u>2017</u>
Purpose restriction accomplished:		
Financial assistance for families	\$ 17,811	\$ 30,221
Educational initiatives for patients and siblings	36,132	46,199
Christmas card donation	<u>-</u>	<u>5,000</u>
Total amount released from restriction	<u>\$ 53,943</u>	<u>\$ 81,420</u>

**NOTE G - RELATED PARTY TRANSACTIONS**

During the year ended June 30, 2018, a Board Member of the Organization was paid approximately \$7,500 for providing investment advisory services.

**NOTE H - COMMITMENTS AND CONTINGENCIES**

Lines of credit

The Organization has unsecured credit card lines totaling \$55,000 with 0% interest rates at June 30, 2018 (\$50,000 total with 14.88% interest rates at June 30, 2017). Total borrowings were \$22,513 and \$29,538 at June 30, 2018 and 2017, respectively. Management's policy is to pay off the credit card balances so that no interest is incurred.

During the year ended June 30, 2018, the Organization obtained an additional revolving line of credit in the amount of \$50,000. Borrowings under the agreement are payable in monthly installments of interest only. The interest rate on the line of credit was 5.50% at June 30, 2018 which was calculated as .50% over the prime rate. The line of credit is secured by all assets of the Organization. At June 30, 2018, there were no amounts outstanding on the line of credit.

During the year ended June 30, 2017, the Organization had an additional revolving line of credit in the amount of \$50,000. Borrowings under the agreement were payable in monthly installments of interest only. The interest rate on the line of credit was 4.00% at June 30, 2017 which was calculated as .25% under the prime rate. The line of credit was unsecured. At June 30, 2017, there were no amounts outstanding on the line of credit. This revolving line of credit was terminated during the year ended June 30, 2018.

Read Report of Independent Certified Public Accountants.

**CHILDREN'S CANCER CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017**

**NOTE I - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through September 25, 2018, the date the financial statements were available to be issued.