

EISNERAMPER

UNITE FOR HER

FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017



UNITE FOR HER

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Unite for HER

Report on the Financial Statements

We have audited the accompanying financial statements of Unite for HER, 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 each of 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 audits 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 on the previous page present fairly, in all material respects, the financial position of Unite for HER as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
September 24, 2018

UNITE FOR HER

Statements of Financial Position

	June 30	
	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 1,254,113	\$ 859,389
Contributions receivable	24,200	-
Prepaid expenses	<u>9,200</u>	<u>1,131</u>
	<u>\$ 1,287,513</u>	<u>\$ 860,520</u>
LIABILITIES		
Accounts payable	\$ 12,867	\$ 20,530
Accrued expenses	501,968	208,976
Deferred revenue	<u>7,500</u>	<u>-</u>
Total liabilities	<u>522,335</u>	<u>229,506</u>
NET ASSETS - UNRESTRICTED	<u>765,178</u>	<u>631,014</u>
	<u>\$ 1,287,513</u>	<u>\$ 860,520</u>

UNITE FOR HER

Statements of Activities and Changes in Net Assets

	Year Ended June 30					
	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support:						
Signature events	\$ 1,688,179	\$ -	\$ 1,688,179	\$ 1,403,055	\$ -	\$ 1,403,055
Less direct costs for signature events	(481,280)	-	(481,280)	(416,100)	-	(416,100)
	<u>1,206,899</u>	<u>-</u>	<u>1,206,899</u>	<u>986,955</u>	<u>-</u>	<u>986,955</u>
Individual contributions	168,115	-	168,115	113,032	-	113,032
Grants and hospital contributions	370,681	-	370,681	308,822	-	308,822
In-kind contributions	560,484	-	560,484	413,507	-	413,507
Interest income	6,928	-	6,928	2,163	-	2,163
Net assets released from restrictions	-	-	-	12,000	(12,000)	-
	<u>2,313,107</u>	<u>-</u>	<u>2,313,107</u>	<u>1,836,479</u>	<u>(12,000)</u>	<u>1,824,479</u>
Expenses:						
Program services - outreach and education	1,661,926	-	1,661,926	1,012,285	-	1,012,285
Management and general	57,272	-	57,272	59,534	-	59,534
Fundraising	459,745	-	459,745	287,967	-	287,967
	<u>2,178,943</u>	<u>-</u>	<u>2,178,943</u>	<u>1,359,786</u>	<u>-</u>	<u>1,359,786</u>
Change in net assets	134,164	-	134,164	476,693	(12,000)	464,693
Net assets at beginning of year	<u>631,014</u>	<u>-</u>	<u>631,014</u>	<u>154,321</u>	<u>12,000</u>	<u>166,321</u>
Net assets at end of year	<u>\$ 765,178</u>	<u>\$ -</u>	<u>\$ 765,178</u>	<u>\$ 631,014</u>	<u>\$ -</u>	<u>\$ 631,014</u>

See notes to financial statements

UNITE FOR HER

**Statement of Functional Expenses
Year Ended June 30, 2018**

	<u>Outreach and Education</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Wages, payroll taxes and benefits	\$ 238,216	\$ 41,230	\$ 178,662	\$ 458,108
Marketing and communications	2,217	965	3,246	6,428
Professional fees	12,321	2,132	9,241	23,694
General operations	22,465	8,685	20,995	52,145
Occupancy	13,517	2,340	10,138	25,995
Outreach	1,052,089	-	-	1,052,089
In-kind donations:				
Materials	287,381	-	205,480	492,861
Services	33,720	1,920	5,960	41,600
Facilities	-	-	26,023	26,023
Total expenses included in the expense section on the statements of activities and changes in net assets	1,661,926	57,272	459,745	2,178,943
Plus expenses included with revenue on the statements of activities and changes in net assets:				
Direct costs for signature events	48,956	-	432,324	481,280
	<u>\$ 1,710,882</u>	<u>\$ 57,272</u>	<u>\$ 892,069</u>	<u>\$ 2,660,223</u>

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Statement of Functional Expenses Year Ended June 30, 2017

	<u>Outreach and Education</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Wages, payroll taxes and benefits	\$ 129,295	\$ 47,016	\$ 117,540	\$ 293,851
Marketing and communications	27,338	909	8,114	36,361
Professional fees	16,437	3,853	1,798	22,088
General operations	19,239	6,413	17,101	42,753
Occupancy	4,029	1,343	3,581	8,953
Outreach	542,273	-	-	542,273
In-kind donations:				
Materials	248,324	-	139,833	388,157
Services	25,350	-	-	25,350
Total expenses included in the expense section on the statements of activities and changes in net assets	1,012,285	59,534	287,967	1,359,786
Plus expenses included with revenue on the statements of activities and changes in net assets:				
Direct costs for signature events	41,040	-	375,060	416,100
	<u>\$ 1,053,325</u>	<u>\$ 59,534</u>	<u>\$ 663,027</u>	<u>\$ 1,775,886</u>

UNITE FOR HER

Statements of Cash Flows

	Year Ended June 30	
	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 134,164	\$ 464,693
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Donated securities	-	(5,263)
Proceeds from sale of donated securities	-	5,263
Changes in assets and liabilities:		
Accounts receivable	(24,200)	-
Prepaid expenses	(8,069)	2,868
Accounts payable	(7,663)	20,530
Accrued expenses	292,992	(88,080)
Deferred revenue	7,500	(5,000)
Net cash provided by operating activities and net increase in cash	394,724	395,011
Cash at beginning of year	859,389	464,378
Cash at end of year	\$ 1,254,113	\$ 859,389

UNITE FOR HER

Notes to Financial Statements June 30, 2018 and 2017

NOTE A - DESCRIPTION OF ORGANIZATION

Unite for HER (the "Organization") is a Pennsylvania nonprofit corporation dedicated to bridging the gap between the medical and wellness communities by funding and delivering complementary therapies that support the physical and emotional needs of those with breast cancer during treatment and beyond. The Organization educates women and the community about the role of healthy lifestyle choices in the prevention of disease and the promotion of wellness.

The Organization receives support through corporate sponsorship, contributions, grants, and signature events.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Organization have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not for profit organizations.

[1] Classification of net assets:

The Organization reports information regarding its financial position and activities according to the following classes of net assets:

The net assets of the Organization are classified as follows:

- ***Unrestricted***

Unrestricted net assets represent resources that are not subject to donor-imposed restrictions.

- ***Temporarily restricted***

Temporarily restricted net assets represent those resources that are subject to donor-imposed stipulations that will be met by actions of the Organization or by the passage of time. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted net assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying statements of activities and changes in net assets as net assets released from restrictions consist of corporate contributions restricted for Wellness day programs. There are no temporarily restricted net assets as of either June 30, 2018 or 2017.

- ***Permanently restricted***

Permanently restricted net assets represent those resources subject to donor-imposed stipulations that the corpus be invested in perpetuity and that only the investment income be made available for operations in accordance with donor restrictions. There are no permanently restricted net assets as of either June 30, 2018 or 2017.

UNITE FOR HER

Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[2] Contributions receivable:

Contributions receivable are stated at the amount management expects to collect from outstanding balances. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history and type of contribution. All balances are expected to be collected; therefore, no allowance has been recorded.

Contributions to be received after one year are discounted at a rate commensurate with the risk involved. All balances are expected to be collected before June 30, 2019; therefore, no discount has been recorded.

[3] Revenue recognition:

Signature events

A significant amount of the Organization's revenue comes from signature events. Event revenues are recorded in the period in which each event occurs.

Contributions and grants

Contributions and grants are recognized when an unconditional promise to give is received and are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contributed facilities, materials and services

The Organization receives contributed facilities, materials and services. Contributed facilities and materials are recorded at their estimated fair values. Contributed facilities includes the cost of venues used for signature events and amounted to \$26,023 and \$-0- for the years ended June 30, 2018 and 2017, respectively. Contributed materials includes items to support Wellness day programs and signature events and amounted to \$492,862 and \$388,157 for the years ended June 30, 2018 and 2017, respectively.

The contributions of services are recognized if the services received: (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically be purchased if not provided by donation. Contributed services are recorded at the fair value of the services received if they meet the above criteria. Contributed services include costs for accounting services and professional services provided to Wellness day programs and signature events and amounted to \$41,600 and \$25,350 for the years ended June 30, 2018 and 2017, respectively.

Contributed goods and services are reflected as revenue in the accompanying statements of activities and changes in net assets. The related offsetting expense is recorded in the same amount on the statements of activities and changes in net assets. In addition to those included above, the Organization receives hundreds of hours of donated services from unpaid volunteers who assist to advance the Organization's programs and objectives. These services do not meet the criteria for recognition as contributed services and therefore are not included in the accompanying financial statements.

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Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[4] Expense allocation:

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Expenses are allocated to various programs based on direct charges for those items specifically identified with the respective programs. Other charges are allocated to program and supporting services in proportion to direct expenses, as estimated by management.

[5] 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.

[6] Federal tax status:

The Organization is classified by the Internal Revenue Service as an organization described under Section 501(c)(3) of the Internal Revenue Code ("Code") and is exempt from federal and state income taxes under Section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability, if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of either June 30, 2018 or 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Organization recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2018 or 2017.

[7] New accounting pronouncements:

In May 2014, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU 2014-09 requires an entity to recognize revenue depicting the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will also result in enhanced revenue related disclosures. ASU 2014-09 will be effective for fiscal years beginning after December 15, 2018. The Organization is evaluating the effect that this new guidance will have on its financial statements and related disclosures.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. This standard requires entities that lease assets to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases. The standard is effective for fiscal years beginning after December 15, 2019. The guidance is required to be applied by the modified retrospective transition approach. Early adoption is permitted. The Organization is evaluating the impact of the adoption of the new guidance on its financial statements and related disclosures.

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Notes to Financial Statements June 30, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] New accounting pronouncements (continued)

In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. The new standard will be effective for fiscal years beginning after December 15, 2017, with early adoption permitted. The adoption of ASU 2016-14 will require reclassification of net asset classes and additional disclosures related to liquidity and availability of resources.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) the determination whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and for annual periods beginning after December 15, 2019 for entities that are resource providers, with early adoption permitted. ASU 2018-08 should be applied on a modified prospective basis. The Organization is currently evaluating the effect that the new standard will have on its financial statements and related disclosures.

[8] Reclassification:

Certain amounts in the 2017 financial statements have been reclassified to conform with the current year presentation.

NOTE C - CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in financial institutions with insurance provided by the Federal Deposit Insurance Corporation. At times, these accounts may exceed the insurable limits. Management does not believe there is a significant credit risk with these institutions.

NOTE D - SIGNATURE EVENTS

Unite for HER executes and delivers several fundraising events each year to support and fund its programs. The most lucrative of the five signature events is the annual Pink Invitational, a three-day gymnastics competition held at the Pennsylvania Convention Center in Philadelphia, Pennsylvania. The event is a United States Gymnastics Association-sanctioned Junior Olympics meet where athletes compete while supporting breast cancer initiatives and learning about lifelong wellness. This event requires expenditures related to holding a meet of such enormous scale, one of the largest in the nation, including venue, judges' fees and competition awards. Such costs are offset by registration and admission fees, sponsorships and other donations.

Bloom, the 5K, Harvest and Students Unite for HER, the other four signature events, receive revenues primarily in the form of contributions and sponsorships.

UNITE FOR HER

Notes to Financial Statements June 30, 2018 and 2017

NOTE D - SIGNATURE EVENTS (CONTINUED)

Revenues and expenditures for the Pink Invitational and other signature events for the year ended June 30, 2018 and 2017 are as follows:

	Year Ended June 30, 2018		
	<u>Revenues</u>	<u>Expenditures</u>	<u>Net</u>
Pink Invitational	\$ 995,802	\$ 413,763	\$ 582,039
Other Signature Events	<u>692,377</u>	<u>67,517</u>	<u>624,860</u>
	<u>\$ 1,688,179</u>	<u>\$ 481,280</u>	<u>\$ 1,206,899</u>

	Year Ended June 30, 2017		
	<u>Revenues</u>	<u>Expenditures</u>	<u>Net</u>
Pink Invitational	\$ 873,607	\$ 357,055	\$ 516,552
Other Signature Events	<u>529,448</u>	<u>59,045</u>	<u>470,403</u>
	<u>\$ 1,403,055</u>	<u>\$ 416,100</u>	<u>\$ 986,955</u>

NOTE E - LEASE AGREEMENTS

The Organization leases office space under an operating lease agreement which requires monthly payments of \$1,875 and expires in October 2019.

Future minimum lease obligations for the office space under this noncancelable operating lease as of June 30, 2018 are as follows:

<u>Year Ending June 30</u>	
2019	\$ 22,500
2020	<u>7,500</u>
	<u>\$ 30,000</u>

Total rent expense reported under this lease amounted to \$15,250 and \$-0- for the years ended June 30, 2018 and 2017, respectively.

NOTE F - RELATED PARTY TRANSACTIONS

The Organization made use of and paid for a portion of its President's residential home as its office through October 2017. The total amount paid is \$2,250 and \$6,750 during the fiscal years ended June 30, 2018 and 2017, respectively.

NOTE G - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 24, 2018, which is the date the financial statements were available to be issued, and determined that there are no other items to disclose.