CANCER SUPPORT COMMUNITY AND SUBSIDIARY

Consolidated Financial Statements and Supplementary Information

December 31, 2018 and 2017

with Independent Auditors' Report

CLARK SCHAEFER HACKETT
CPAs & Advisors

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CLARK SCHAEFER HACKETT
CPAS & ADVISORS

One East Fourth Street, Suite 1200, Cincinnati, Ohio 45202
P. 513.241.3111 | F. 513.241.1212 | cshco.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Cancer Support Community and Subsidiary:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Cancer Support Community (a not-for-profit organization) and Subsidiary which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cancer Support Community and Subsidiary as of December 31, 2018 and 2017, and the changes in their consolidated net assets and their consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities on pages 18 – 19 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 26, 2019

Assets:

		2018	2017
Cash and cash equivalents	$	6,533,396	5,475,789
Accounts receivable, net		1,487,847	2,122,389
Prepaid expenses		100,763	93,816
Investments		2,015,533	2,116,539
Property and equipment, net		1,062,355	1,299,235
Deposits		106,183	116,672
Total assets	$	11,306,077	11,224,440

Liabilities and Net Assets

		2018	2017
Liabilities:			
Accounts payable	$	381,937	244,042
Accrued expenses		102,050	176,839
Deferred revenue		68,584	134,571
Other liabilities		375,215	348,971
Total liabilities		927,786	904,423
Net assets:			
Without donor restrictions:			
Controlling interest		1,918,951	1,373,605
Noncontrolling interest in PPS		(21,762)	(16,528)
Total without donor restrictions		1,897,189	1,357,077
With donor restrictions		8,481,102	8,962,940
Total net assets		10,378,291	10,320,017
Total liabilities and net assets	$	11,306,077	11,224,440

See accompanying notes to the
consolidated financial statements.

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Development income	$ 799,196	-	799,196
Net investment loss	(95,804)	-	(95,804)
Service delivery:			
Program	24,708	1,061,948	1,086,656
Research and training	81,630	1,089,414	1,171,044
Events and special initiatives	1,078,370	-	1,078,370
Digital services and web	236,000	455,000	691,000
Education/Outreach	147,592	1,904,400	2,051,992
Policy/Advocacy	323,162	1,403,088	1,726,250
Special purpose funds	300,920	-	300,920
Affiliate activities	576,234	-	576,234
Communications	7,353	-	7,353
In-kind revenue	163,279	-	163,279
Miscellaneous income	4,931	-	4,931
PPS sales, net of direct costs of $98,456	328,609	-	328,609
Acquisition of MyLifeLine	511,271	-	511,271
Net assets released from restrictions	6,395,688	(6,395,688)	-
Total revenues and support	10,883,139	(481,838)	10,401,301
Expenses:			
Program services	8,343,883	-	8,343,883
Management and general	637,585	-	637,585
Fundraising	916,639	-	916,639
Operating expenses: PPS	444,920	-	444,920
Total expenses	10,343,027	-	10,343,027
Change in net assets	540,112	(481,838)	58,274
Net assets at beginning of year	1,357,077	8,962,940	10,320,017
Net assets at end of year	$ 1,897,189	8,481,102	10,378,291

See accompanying notes to the
consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statement of Activities
Year Ended December 31, 2017

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Development income	$ 444,906	-	444,906
Net investment income	264,999	-	264,999
Service delivery:			
Program	111,557	1,488,038	1,599,595
Research and training	527,106	779,020	1,306,126
Events and special initiatives	977,527	518,184	1,495,711
Digital services and web	-	120,000	120,000
Education/Outreach	84,662	1,613,969	1,698,631
Policy/Advocacy	1,132,844	560,306	1,693,150
Special purpose funds	24,919	-	24,919
Affiliate activities	502,855	-	502,855
Communications	17,500	-	17,500
In-kind revenue	83,767	-	83,767
Miscellaneous income	99,563	-	99,563
PPS sales, net of direct costs of $192,600	5,096	-	5,096
Net assets released from restrictions	2,291,819	(2,291,819)	-
Total revenues and support	6,569,120	2,787,698	9,356,818
Expenses:			
Program services	6,764,456	-	6,764,456
Management and general	513,944	-	513,944
Fundraising	993,932	-	993,932
Operating expenses: PPS	413,272	-	413,272
Total expenses	8,685,604	-	8,685,604
Change in net assets	(2,116,484)	2,787,698	671,214
Net assets at beginning of year	3,473,561	6,175,242	9,648,803
Net assets at end of year	$ 1,357,077	8,962,940	10,320,017

Cancer Support Community and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended December 31, 2018

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Operating Expenses: PPS	Total
Salaries and related expenses:					
Salaries	$ 3,247,270	271,697	177,334	350,737	4,047,038
Payroll taxes and employee benefits	587,198	49,131	32,067	33,086	701,482
Total salaries and related expenses	3,834,468	320,828	209,401	383,823	4,748,520
Other expenses:					
Office expenses	210,052	11,449	12,150	564	234,215
Grant expenses	710,787	-	-	-	710,787
Conferences and meetings	39,702	37,619	3,395	3,407	84,123
Consulting	1,680,929	23,064	102,648	-	1,806,641
Research and development	48,749	-	-	-	48,749
Dues and subscriptions	42,440	7,477	22,898	-	72,815
Equipment rental	17,498	954	1,012	-	19,464
Liability insurance	22,596	1,232	1,307	18,894	44,029
Travel	262,729	26,697	84,182	11,664	385,272
Marketing and recruiting	37,789	20,962	9,447	29	68,227
Postage and delivery	24,792	8,141	4,071	610	37,614
Printing and publications	159,569	36,862	6,473	20	202,924
Affiliate	177,875	-	-	-	177,875
Occupancy	571,774	31,165	33,072	525	636,536
Special events	-	-	394,859	-	394,859
Professional fees	-	-	-	15,723	15,723
Miscellaneous	15,390	75,000	14,813	9,661	114,864
In-kind expenses	163,279	-	-	-	163,279
CSC on-line	122,875	13,963	2,793	-	139,631
Total other expenses	4,308,825	294,585	693,120	61,097	5,357,627
Total expenses before depreciation	8,143,293	615,413	902,521	444,920	10,106,147
Depreciation	200,590	22,172	14,118	-	236,880
Total expenses	$ 8,343,883	637,585	916,639	444,920	10,343,027

See accompanying notes to the consolidated financial statements.

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Operating Expenses: PPS	Total
Salaries and related expenses:					
Salaries	$ 2,486,153	256,981	131,615	303,588	3,178,337
Payroll taxes and employee benefits	384,814	35,253	18,055	29,418	467,540
Total salaries and related expenses	2,870,967	292,234	149,670	333,006	3,645,877
Other expenses:					
Office expenses	203,604	13,059	13,349	1,538	231,550
Grant expenses	653,797	-	-	-	653,797
Conferences and meetings	43,256	34,757	3,409	2,324	83,746
Consulting	1,101,952	9,850	161,163	-	1,272,965
Research and development	83,185	-	-	-	83,185
Dues and subscriptions	42,241	1,459	27,130	630	71,460
Equipment rental	21,595	1,333	1,363	-	24,291
Liability insurance	19,233	1,187	1,214	21,330	42,964
Travel	271,412	26,329	82,782	11,443	391,966
Marketing and recruiting	25,651	12,471	6,412	1,500	46,034
Postage and delivery	22,602	7,421	3,711	76	33,810
Printing and publications	113,804	4,983	3,395	-	122,182
Affiliate	132,568	-	-	-	132,568
Occupancy	679,867	29,896	30,560	2,464	742,787
Special events	-	-	484,140	-	484,140
Professional fees	54,803	48,815	9,752	12,692	126,062
Miscellaneous	69,261	-	-	26,269	95,530
In-kind expenses	83,767	-	-	-	83,767
CSC on-line	66,798	7,591	1,518	-	75,907
Total other expenses	3,689,396	199,151	829,898	80,266	4,798,711
Total expenses before depreciation	6,560,363	491,385	979,568	413,272	8,444,588
Depreciation	204,093	22,559	14,364	-	241,016
Total expenses	$ 6,764,456	513,944	993,932	413,272	8,685,604

See accompanying notes to the consolidated financial statements.

Cancer Support Community and Subsidiary
Consolidated Statements of Cash Flows
Years Ended December 31, 2018 and 2017

		2018	2017
Cash flows from operating activities:			
Change in net assets	$	58,274	671,214
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Bad debt expense		75,000	80,000
Unrealized and realized (gain) loss on investments		151,902	(167,569)
Depreciation		236,880	241,016
Acquisition of MyLifeLine		(511,271)	-
Effects of change in operating assets and liabilities:			
Accounts receivable		640,866	(540,027)
Contributions receivable		-	350
Prepaid expenses		24,153	19,851
Inventory		-	10,324
Deposits		10,489	(8,385)
Accounts payable		136,720	(82,621)
Accrued expenses		(77,941)	28,383
Deferred revenue		(70,987)	65,987
Other liabilities		26,244	224,186
Net cash provided by operating activities		700,329	542,709
Cash flows from investing activities:			
Purchase of investments		(50,896)	(97,721)
Cash from MyLifeLine acquisition		408,174	-
Acquisition of property and equipment		-	(56,203)
Net cash provided (used) by investing activities		357,278	(153,924)
Change in cash and cash equivalents		1,057,607	388,785
Cash and cash equivalents - beginning of year		5,475,789	5,087,004
Cash and cash equivalents - end of year	$	6,533,396	5,475,789
Supplemental disclosures:			
Acquisition of MyLifeLine assets and liabilities:			
Accounts receivable	$	75,000	-
Prepaid expenses		37,424	-
Accounts payable		(1,175)	-
Accrued expenses		(3,152)	-
Deferred revenue		(5,000)	-
	$	103,097	-

See accompanying notes to the
consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Cancer Support Community and Subsidiary (collectively known as "CSC") are set forth to facilitate the understanding of data presented in the consolidated financial statements.

Nature of operations
The mission of the Cancer Support Community is to ensure that all people impacted by cancer are empowered by knowledge, strengthened by action and sustained by community. In 2009, The Wellness Community and Gilda's Club joined forced to become the Cancer Support Community.

As the largest professionally led nonprofit network of cancer support worldwide, the Cancer Support Community (CSC) is dedicated to ensuring that all people impacted by cancer are empowered by knowledge, strengthened by action and sustained by community. CSC achieves its mission through three areas: direct service delivery, research, and advocacy. The organization includes an international network of affiliates that offer the highest quality social and emotional support for people impacted by cancer, as well as a community of support available online and over the phone. The Research and Training Institute conducts cutting-edge psychosocial, behavioral and survivorship research. CSC furthers its focus on patient advocacy through the Cancer Policy Institute, informing public policy in Washington D.C. and across the nation. The Cancer Support Community is advancing the innovations that are becoming the standard in complete cancer care.

Individual gifts, corporate and foundation contributions, and educational grants are the major sources of support for CSC.

Patient Planning Services, Inc. ("PPS") is a majority-owned Texas C-Corp established in 2013 to license a distress screening tool for cancer patients. It was initially funded by a $100,000 investment by CSC which received that money as a donation. CSC licenses the distress tool to PPS which in turn licenses to hospitals.

During 2018, CSC acquired the operations of MyLifeLine, Inc. ("MLL"), a not-for-profit organization with a mission to easily connect cancer patients, friends and families through a digital platform. Upon the effective date of the acquisition, MLL was merged into CSC, the surviving corporation.

Adoption of new accounting standard
During 2018, CSC adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The standard addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about investment return and functional expenses, including allocation methodologies. CSC has implemented this guidance and applied retrospectively to all periods presented.

Basis of consolidation
The consolidated financial statements include the accounts of CSC and PPS. All material inter-entity transactions have been eliminated.

CSC applies the accounting treatment of the majority owner and its relationship with the deficits in the noncontrolling interest. The amount of intercompany profit or loss to be eliminated is not affected by the existence of a noncontrolling interest. The complete elimination of the intercompany profit or loss is consistent with the underlying assumption that consolidated statements represent the financial position and operating results of a single business enterprise. The elimination of the intercompany profit or loss may be allocated proportionately between the majority and noncontrolling interests.

Financial Accounting Standards Board (FASB) requires that ownership interests in subsidiaries held by parties other than the parent to be clearly identified. In addition, it requires that the amount of consolidated excess of revenue over expense attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statements of activities. This standard requires the recognition of a noncontrolling interest in the net assets without donor restrictions class in the consolidated statements of financial position separate from the net assets without donor restrictions. The excess of revenue over expenses attributable to the noncontrolling interest is included in the consolidated statements of activities. The incremental effects of applying the provisions on the individual lines of the consolidated financial statements as of and for the year ended December 31, 2018 and 2017, are presented in the consolidated financial statements and included in Note 9 to the consolidated financial statements.

Use of estimates
The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial statement presentation
CSC reports information regarding its consolidated financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions: Net assets that -are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CSC. These net assets may be used at the discretion of CSC's management and the Board of Directors.

- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions that are likely to be met by actions of CSC or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions
Contributions of cash and other assets without donor stipulations concerning the use of such assets are reported as revenues of the net assets without donor restrictions class. Contributions of cash or other assets to be used in accordance with donor stipulations are reported as revenues of the net assets with donor restrictions class. Contributions are reported as development and service delivery income on the consolidated statements of activities.

The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires and at that time the related resources are reclassified to net assets without donor restrictions. A restriction expires when the stipulated time period has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Income taxes
For Federal tax purposes, CSC is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. In addition, CSC has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. CSC engages in activities that generate unrelated business income tax. No provision for federal income taxes is included in these consolidated statements as the amounts are not material.

Cash and cash equivalents
For purposes of the consolidated statements of cash flows, CSC considers all highly liquid investments with initial maturities of three months or less to be cash equivalents. CSC maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. CSC has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash.

Investments
Investments are carried at the fair value of the securities. Net investment income (loss) consists of interest, dividends, capital gain distributions, unrealized gain (loss) and investment fees.

Allowance for doubtful accounts
CSC carries its accounts receivable at the amount earned less an allowance for doubtful accounts. On a periodic basis, CSC evaluates its accounts receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current credit conditions. CSC carries its contributions receivable at their net present value. CSC evaluates the collectability of its contributions receivable on an annual basis and writes-off contributions receivable as deemed necessary. As of December 31, 2018, an allowance for doubtful accounts of $75,000 has been recognized. During the year ended December 31, 2017, CSC wrote-off one bad debt for $80,000.

Property and equipment
Property and equipment is stated at cost or fair value, if donated. CSC capitalizes assets with a cost or fair value of at least $500. Depreciation is computed using the straight-line method over three, five, seven and twenty-year lives.

In-kind contributions
CSC records in-kind services as revenue in the consolidated financial statements at their estimated fair value. In-kind services are not recorded if no objective basis is available to measure the value received by CSC. During 2018 and 2017, CSC received in-kind services of $163,279 and $83,767, respectively.

Functional allocation of expenses
The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among program services and supporting services benefited. All fundraising costs are charged to fundraising; there are no joint costs. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries, payroll taxes and employee benefits	time and effort
Office expenses, conferences and meetings, consulting, dues and subscriptions, equipment rental, liability insurance, travel, marketing and recruiting, postage and delivery, printing and publications, occupancy, miscellaneous and CSC on-line	full-time equivalents

Reclassifications
Certain items in the 2017 report have been reclassified to conform to current year classifications. Such reclassifications have no effect on previously reported change in net assets.

Subsequent events
CSC evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the consolidated financial statements. The accompanying consolidated financial statements consider events through June 26, 2019, the date on which the consolidated financial statements were available to be issued.

2. INVESTMENTS:

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities CSC has the ability to access.

- Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.

- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following tables present CSC's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2018 and 2017.

		Fair Value Measurements at Reporting Date Using		
	Total	Level 1	Level 2	Level 3
December 31, 2018				
Money market funds	$ 125,942	125,942	-	-
Fixed income funds	645,868	645,868	-	-
Equity funds	1,243,723	1,243,723	-	-
Total	$ 2,015,533	2,015,533	-	-

		Fair Value Measurements at Reporting Date Using		
	Total	Level 1	Level 2	Level 3
December 31, 2017				
Money market funds	$ 196,740	196,740	-	-
Fixed income funds	555,896	555,896	-	-
Equity funds	1,363,903	1,363,903	-	-
Total	$ 2,116,539	2,116,539	-	-

3. PROPERTY AND EQUIPMENT:

Property and equipment consisted of the following at December 31:

	2018	2017
Leasehold improvements	$ 1,114,835	1,114,835
Office furniture and equipment	332,831	332,831
Software	728,212	728,212
	2,175,878	2,175,878
Less accumulated depreciation	(1,113,523)	(876,643)
	$ 1,062,355	1,299,235

4. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2018	2017
Subject to expenditure for a specific purpose:		
Policy/Advocacy	$ 1,479,986	1,145,386
Transportation Assistance	-	119,848
HIV Distress	216,782	77,109
Oncology Care Model	-	271,266
Research Project on Nausea and Vomiting	-	60,000
Beauty/Cancer Training Project	-	65,325
Cost Eff/ION Project	80,000	80,000
Online Support Groups	-	81,963
Digital Website and Tech Infrastructure	305,000	220,000
Group Loop	-	28,290
My IO Manager	1,114,887	1,603,284
National Call Center	640,716	406,104
Frankly Speaking About Cancer Programs	2,272,649	2,156,337
Healing Spaces Hospital Partnership Program	326,783	518,184
Patient Services	-	60,000
Meals at Home	43,680	138,399
Cancer Transitions	-	29,250
MPN Awareness	-	88,822
Cancer Experience Registry	1,345,774	1,399,471
Children and Teens with Cancer	-	32,061
Open to Options Programs	204,161	175,274
Distress Screening	-	80,000
Treatment Decision Support	-	22,869
Other programs	440,683	93,698
	8,471,101	8,952,940
Restricted by donor in perpetuity	10,000	10,000
Total net assets with donor restrictions	$ 8,481,101	8,962,940

During the years ended December 31, 2018 and 2017, net assets released from restrictions were $6,395,688 and $2,291,819, respectively.

5. RELATED PARTIES:

CSC received fees from local affiliates in the amount of $576,234 and $502,855 during the years ended December 31, 2018 and 2017, respectively. Expenditures related to these local affiliates totaled $177,875 and $132,568 during the years ended December 31, 2018 and 2017, respectively. At December 31, 2018 and 2017, CSC had amounts due to affiliates (included in accounts payable) of $2,550 and $4,682, respectively, and amounts due from affiliates (included in accounts receivable) of $63,814 and $128,140, respectively.

6. LEASES:

CSC leases office spaces under non-cancelable operating leases that expire in various years through November 2027. CSC also leases office equipment under non-cancelable operating leases that expire in various years through 2020. Future minimum lease payments under all the lease agreements at December 31, 2018 are as follows:

2019	$ 591,134
2020	601,538
2021	600,597
2022	577,433
2023	465,272
Thereafter	2,520,701
	$ 5,356,675

Total rent expense was $528,249 and $635,414 for the years ended December 31, 2018 and 2017, respectively.

7. PENSION PLAN:

CSC has a match through their 403(b) retirement plan providing annual benefits to employees equal to 3% of their gross salaries. Employees are eligible the first day of hire to enter the plan, are eligible for the match after 1 year of service, and are vested over 3 years in the employer's contribution. Employer contributions of $88,217 and $75,212 were made for the years ended December 31, 2018 and 2017, respectively.

8. MYLIFELINE ACQUISITION:

Effective January 2, 2018, CSC acquired MyLifeLine, Inc. a Colorado not-for-profit. MLL maintained its operations, however, the entity is now reported as a component of CSC. All net assets assumed were without donor restrictions. The following assets and liabilities were assumed as part of the acquisition:

Cash and cash equivalents	$ 408,174
Accounts receivable	75,000
Other current assets	37,424
Accounts payable	(1,175)
Accrued expenses	(3,152)
Deferred revenue	(5,000)
	$ 511,271

9. CONSOLIDATION:

In March 2014, CSC sold 4,761 shares of preferred stock of PPS to an unrelated investor for $100,000. This represents a noncontrolling ownership interest in PPS of 4.5%. The change in consolidated net assets without donor restrictions attributed to controlling and noncontrolling interests are as follows:

	Total	Controlling Interest	Noncontrolling Interest
Balance at December 31, 2016	$ 3,473,561	3,490,206	(16,645)
Change in net assets without donor restrictions of CSC	(2,119,073)	(2,119,073)	-
Change in net assets without donor restrictions of PPS	2,589	2,472	117
Balance at December 31, 2017	1,357,077	1,373,605	(16,528)
Change in net assets without donor restrictions of CSC	656,423	656,423	-
Change in net assets without donor restrictions of PPS	(116,311)	(111,077)	(5,234)
Balance at December 31, 2018	$ 1,897,189	1,918,951	(21,762)

10. CONTINGENCIES:

CSC is subject to claims and lawsuits which arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position, change in net assets and cash flows of CSC.

11. LIQUIDITY DISCLOSURES:

CSC is substantially supported by contributions from donors. As part of CSC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table presents the financial assets available to meet cash needs for general expenditures within one year at December 31:

	2018	2017
Financial assets:		
Cash	$ 6,533,396	5,475,789
Accounts receivable, net	1,487,847	2,122,389
Investments at fair value	2,015,533	2,116,539
Financial assets available at year-end	10,036,776	9,714,717
Less those unavailable for general expenditures within one year due to:		
Restricted by donor with purpose restriction	8,471,102	8,952,940
Restriction by donor in perpetuity	10,000	10,000
Total limitations on available resources	8,481,102	8,962,940
Financial assets available to meet cash needs for general expenditures within one year	$ 1,555,674	751,777

12. NEW ACCOUNTING PRONOUNCEMENTS:

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*. The standard's core principle is that an organization will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the organization expects to be entitled in exchange for those goods or services. This standard also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard will be effective for CSC's year ending December 31, 2019.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The standard will assist entities in determining whether transactions should be recorded as a contribution (nonreciprocal transaction) or as an exchange (reciprocal transaction). The standard also provides expanded guidance on determining whether or not a contribution is conditional. This standard will be effective for CSC's year ending December 31, 2019.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of the lease commencement. Leases will be classified as either financing or operating. This distinction will be relevant for the pattern of expense recognition in the statement of activities. This standard will be effective for CSC's year ending December 31, 2020.

CSC is currently in the process of evaluating the impact of adoption of these ASU's on the financial statements.

		Cancer Support Community	Patient Planning Services, Inc.	Eliminations	Consolidated
Assets					
Cash and cash equivalents	$	6,532,361	1,035	-	6,533,396
Accounts receivable, net		1,266,595	222,400	(1,148)	1,487,847
Loan receivable - intercompany		243,113	-	(243,113)	-
Prepaid expenses		100,763	-	-	100,763
Investments		2,070,543	-	(55,010)	2,015,533
Property and equipment, net		1,037,355	25,000	-	1,062,355
Deposits		106,183	-	-	106,183
Total assets	$	11,356,913	248,435	(299,271)	11,306,077
Liabilities, Net Assets and Member's Equity					
Liabilities:					
Accounts payable	$	329,989	53,096	(1,148)	381,937
Accrued expenses		102,050	-	-	102,050
Deferred revenue		-	68,584	-	68,584
Loan payable - intercompany		-	243,113	(243,113)	-
Other liabilities		375,215	-	-	375,215
Total liabilities		807,254	364,793	(244,261)	927,786
Net assets and member's equity:					
Without donor restrictions:					
Controlling interest		2,068,557	-	(149,606)	1,918,951
Noncontrolling interest in PPS		-	-	(21,762)	(21,762)
Total without donor restrictions		2,068,557	-	(171,368)	1,897,189
With donor restrictions		8,481,102	-	-	8,481,102
Total net assets		10,549,659	-	(171,368)	10,378,291
Common stock		-	10	(10)	-
Preferred stock		-	100,000	(100,000)	-
Additional paid-in capital		-	55,000	(55,000)	-
Accumulated deficit		-	(271,368)	271,368	-
Total member's equity		-	(116,358)	116,358	-
Total liabilities, net assets and member's equity	$	11,356,913	248,435	(299,271)	11,306,077

See accompanying independent auditors' report.

	Without Donor Restrictions	With Donor Restrictions	PPS	Eliminations	Total
Revenues and other support:					
Development income	$ 799,196	-	-	-	799,196
Net investment loss	(95,804)	-	-	-	(95,804)
Service delivery:					
Program	24,708	1,061,948	-	-	1,086,656
Research and training	81,630	1,089,414	-	-	1,171,044
Events and special initiatives	1,078,370	-	-	-	1,078,370
Digital services and web	236,000	455,000	-	-	691,000
Education/Outreach	147,592	1,904,400	-	-	2,051,992
Policy/Advocacy	323,162	1,403,088	-	-	1,726,250
Special purpose funds	300,920	-	-	-	300,920
Affiliate activities	576,234	-	-	-	576,234
Communications	7,353	-	-	-	7,353
In-kind revenue	163,279	-	-	-	163,279
Miscellaneous income	5,625	-	-	(694)	4,931
PPS sales, net of direct costs of $98,456	-	-	575,323	(246,714)	328,609
Acquisition of MyLifeLine	511,271	-	-	-	511,271
Net assets released from restrictions	6,395,688	(6,395,688)	-	-	-
Total revenues and support	10,555,224	(481,838)	575,323	(247,408)	10,401,301
Expenses:					
Program services	8,590,597	-	-	(246,714)	8,343,883
Management and general	637,585	-	-	-	637,585
Fundraising	916,639	-	-	-	916,639
Operating expenses: PPS	-	-	445,614	(694)	444,920
Total expenses	10,144,821	-	445,614	(247,408)	10,343,027
Change in net assets	410,403	(481,838)	129,709	-	58,274
Net assets at beginning of year	1,603,144	8,962,940	(246,067)	-	10,320,017
Net assets (deficit) at end of year	$ 2,013,547	8,481,102	(116,358)	-	10,378,291