



FINANCIAL STATEMENTS

DECEMBER 31, 2019

NATIONAL BREAST CANCER COALITION

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DECEMBER 31, 2019

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Independent Auditors' Report

To the Board of Directors
National Breast Cancer Coalition
Washington, D.C.

We have audited the accompanying financial statements of National Breast Cancer Coalition (NBCC), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Breast Cancer Coalition as of December 31, 2019, 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.

To the Board of Directors
National Breast Cancer Coalition

Report on Summarized Comparative Information

We have previously audited NBCC's 2018 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated May 15, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Councilor, Buchanan + Mitchell, P.C.

Washington, D.C.
May 6, 2020

Certified Public Accountants

NATIONAL BREAST CANCER COALITION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2018)

	2019	2018
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 22,492	\$ 13,136
Prepaid Expenses	<u>6,703</u>	<u>-</u>
Total Current Assets	29,195	13,136
Property and Equipment		
Software	12,940	12,940
Website	27,444	27,444
Less Accumulated Depreciation and Amortization	<u>(40,384)</u>	<u>(40,384)</u>
Total Property and Equipment	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 29,195</u>	<u>\$ 13,136</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 6,420	\$ 3,743
Due to National Breast Cancer Coalition Fund	<u>51,903</u>	<u>51,134</u>
Total Current Liabilities	58,323	54,877
Net Assets		
Without Donor Restrictions	<u>(29,128)</u>	<u>(41,741)</u>
Total Net Assets	<u>(29,128)</u>	<u>(41,741)</u>
Total Liabilities and Net Assets	<u>\$ 29,195</u>	<u>\$ 13,136</u>

See accompanying Notes to Financial Statements.

NATIONAL BREAST CANCER COALITION

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2018)**

	2019	2018
Change in Net Assets Without Donor Restrictions		
Revenues		
Grants and Contributions	\$ 382,630	\$ 380,315
Total Revenues	382,630	380,315
Expenses		
Program Services	271,403	328,493
Fundraising and Development	36,439	37,582
Administration	62,175	51,505
Total Expenses	370,017	417,580
Change in Net Assets Without Donor Restrictions	12,613	(37,265)
Net Assets Without Donor Restrictions, Beginning of Year	(41,741)	(4,476)
Net Assets Without Donor Restrictions, End of Year	\$ (29,128)	\$ (41,741)

See accompanying Notes to Financial Statements.

NATIONAL BREAST CANCER COALITION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2018)**

	Program Services	Fundraising and Development	Administration	2019 Total	2018 Total
Salaries	\$ 99,425	\$ 13,224	\$ 11,845	\$ 124,494	\$ 135,645
Payroll Taxes	6,913	1,134	861	8,908	9,222
Retirement Plan Contributions	2,532	233	273	3,038	2,745
Other Employee Benefits	9,352	1,464	1,103	11,919	14,110
Consultants	74,698	957	239	75,894	92,238
Professional Fees	-	-	9,943	9,943	9,201
Printing and Copying	9,004	2,002	1,322	12,328	16,236
Data Processing	1,809	766	597	3,172	3,641
Postage and Delivery	5,695	2,580	3,335	11,610	7,467
Rent	12,292	1,537	1,537	15,366	14,608
Telecommunications	37,200	1,221	577	38,998	51,440
Office Supplies	788	185	87	1,060	958
Meetings and Events	1,966	56	30,137	32,159	39,390
Travel	8,225	-	-	8,225	7,658
Dues and Fees	481	10,792	190	11,463	11,310
Insurance	793	231	100	1,124	969
Equipment	230	57	29	316	494
Loan Interest	-	-	-	-	248
Total Expenses	\$ 271,403	\$ 36,439	\$ 62,175	\$ 370,017	\$ 417,580

See accompanying Notes to Financial Statements.

NATIONAL BREAST CANCER COALITION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2018)

	2019	2018
Cash Flows from Operating Activities		
Change in Net Assets Without Donor Restrictions	\$ 12,613	\$ (37,265)
Adjustments to Reconcile Change in Net Assets Without Donor Restrictions to Net Cash Provided by Operating Activities		
<u>(Increase) Decrease in Assets</u>		
Prepaid Expenses	(6,703)	7,050
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable	2,677	3,743
Due to National Breast Cancer Coalition Fund	769	32,401
Net Cash Provided by Operating Activities	9,356	5,929
Net Increase in Cash and Cash Equivalents	9,356	5,929
Cash and Cash Equivalents, Beginning of Year	13,136	7,207
Cash and Cash Equivalents, End of Year	\$ 22,492	\$ 13,136

See accompanying Notes to Financial Statements.

NATIONAL BREAST CANCER COALITION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

National Breast Cancer Coalition (NBCC) is a nonprofit organization incorporated under the laws of the Commonwealth of Pennsylvania on June 11, 1992. The object and purpose of NBCC is to eradicate breast cancer through focusing national attention on breast cancer and by involving patients and others as advocates for action, advances, and change.

Public Information & Public Policy Programs - NBCC focuses its public policy advocacy on legislative priorities that are most likely to further the mission of ending breast cancer and achieving Breast Cancer Deadline 2020[®] - knowing how to end breast cancer by January 1, 2020. Specific areas of focus include legislation and policies that will increase funding for breast cancer research; provide access to high quality health care and clinical trials; and expand the influence of breast cancer advocates everywhere breast cancer decisions are made. NBCC selects its legislative priorities after extensive deliberation to ensure that scientific evidence is integrated into public policy with the goal of ending breast cancer.

The operations of NBCC are primarily funded by grants and contributions.

Cash and Cash Equivalents

NBCC considers all amounts in checking and money market accounts to be cash equivalents.

Property and Equipment

NBCC capitalizes all property and equipment acquisitions in excess of \$1,000. Property and equipment are recorded at cost, if purchased or at fair market value at date of donation, if contributed. Depreciation of property and equipment is provided using the straight-line method over the estimated useful life of the asset.

Allocation of Functional Expenses

The costs of providing the programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation, benefits, occupancy, and other office related expenses, which are allocated on the basis of estimates of time and effort by employees. Expenses directly identifiable to specific programs and supporting activities are allocated accordingly.

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, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from those estimates that were assumed in preparing the financial statements.

NATIONAL BREAST CANCER COALITION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

Financial Statement Presentation

The financial statements of NBCC have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires NBCC to report information regarding its 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 NBCC. These net assets may be used at the discretion of NBCC's management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of NBCC or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Contributions

NBCC 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. Unconditional contributions with donor restrictions for which the restrictions are met in the year received are considered net assets without donor restrictions for financial statement purposes. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions. When a donor restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Income Taxes

NBCC is exempt from federal and state income taxes under Section 501(c)(4) of the Internal Revenue Code.

NBCC requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. NBCC does not believe its financial statements include, or reflect, any uncertain tax positions.

NBCC's Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service generally for three years after filing.

Reclassifications

Certain amounts for 2018 have been reclassified for comparative purposes.

NATIONAL BREAST CANCER COALITION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prior Year Information

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2018. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2018, from which the summarized information was derived.

2. ADOPTION OF NEW ACCOUNTING STANDARDS

Adoption of Accounting Standards Update 2018-08

During the year ended December 31, 2019, NBCC adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides additional guidance in (1) evaluating whether transactions should be accounted for as contributions (within the scope of ASC 958) or as exchange (reciprocal) transactions (subject to ASC 606); and (2) distinguishing between conditional and unconditional contributions. Management believes that the adoption of this ASU enhances the comparability of financial information among not-for-profit entities. This change in accounting principle was adopted on a modified prospective basis in 2019. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions or opening net assets with donor restrictions as of January 1, 2019. The impact of adoption was not material to the financial statements.

Adoption of Accounting Standards Codification Topic 606

During the year ended December 31, 2019, NBCC adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. Management believes that the adoption of this standard provides better consistency and comparability across non-profit and for-profit entities. The standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaces most existing revenue recognition guidance in U.S. GAAP. This change in accounting principle was adopted on a modified prospective basis in 2019. Analysis of the various provisions of this standard resulted in no significant changes in the way NBCC recognizes revenue; however, the presentation and disclosure of revenue has been enhanced.

3. RELATED PARTY TRANSACTIONS

NBCC shares staff and board members with the National Breast Cancer Coalition Fund (the Fund), a nonprofit organization exempt under Internal Revenue Code Section 501(c)(3). NBCC reimburses the Fund for certain personnel, office expenses, and combined bills. NBCC also reimburses the Fund for a portion of the annual contribution to the Fund's 401(k) plan.

NATIONAL BREAST CANCER COALITION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

3. RELATED PARTY TRANSACTIONS (CONTINUED)

In 2019, NBCC reimbursed the Fund approximately \$3,000 for the retirement plan contribution. In total, the Fund incurred approximately \$305,000 of reimbursable expenses paid on behalf of NBCC during 2019.

In addition, the Fund made a \$305,000 grant to NBCC. The grant is to be used for direct lobbying expenses.

The National Breast Cancer Coalition PAC (NBCCPAC) is a federal political action committee sponsored by NBCC. NBCCPAC's purpose is to support candidates in federal elections. For the year ended December 31, 2019, NBCCPAC received no contributions and made no payments to support congressional or senate candidates. As of December 31, 2019, NBCCPAC has assets consisting of cash in the amount of approximately \$14,000. NBCC provides management services to the NBCCPAC at no charge.

4. CONCENTRATIONS

For the year ended December 31, 2019, approximately 80% of the total revenue was received from the Fund.

5. LIQUIDITY AND AVAILABILITY OF RESOURCES

NBCC's cash flows have seasonal variations due to the timing of contributions and a concentration of contributions in the first half of the year. NBCC manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due. To meet unanticipated or seasonal needs, NBCC can draw upon transfers from the annual grant from the Fund as needed.

As of December 31, 2019, the following financial assets and liquidity sources were available for general operating expenditures in the year ending December 31, 2020:

Financial Assets

Cash and Cash Equivalents	\$ 22,492
Total Financial Assets Available within One Year	<u>\$ 22,492</u>

6. JOINT COST ALLOCATION

NBCC incurred joint costs in 2019 for informational materials that included fundraising appeals. The costs were allocated as follows:

<u>Description</u>	
Program Services	\$ 17,348
Fundraising and Development	9,373
Administration	<u>2,515</u>
Total	<u>\$ 29,236</u>

NATIONAL BREAST CANCER COALITION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

7. SUBSEQUENT EVENTS

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and companies around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

Subsequent events were evaluated through May 6, 2020, which is the date the financial statements were available to be issued.