



COLON CANCER COALITION
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Colon Cancer Coalition, Inc.
Edina, Minnesota

We have audited the accompanying financial statements of Colon Cancer Coalition, Inc. (a Minnesota Not-For-Profit Organization), which comprise the statements of financial position as of December 31, 2022 and 2021 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colon Cancer Coalition, Inc. as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Colon Cancer Coalition, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Colon Cancer Coalition, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Colon Cancer Coalition, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Boyum & Barescheer PLLP

Boyum & Barescheer, PLLP
Minneapolis, Minnesota
May 25, 2023

COLON CANCER COALITION, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,	2022	2021
ASSETS		
Cash and cash equivalents	\$ 2,441,109	\$ 2,504,867
Sponsorship receivables	118,500	31,000
Bequest receivable	3,000,000	-
Prepaid expenses	90,189	30,606
Inventory	11,173	3,074
Right of use asset	22,115	-
<i>Total assets</i>	\$ 5,683,086	\$ 2,569,547
LIABILITIES AND NET ASSETS		
LIABILITIES		
Grants and awards payable	\$ 1,667,818	\$ 1,714,477
Accounts payable and accrued expenses	67,246	19,525
Deferred revenues	155,724	123,876
Right of use liability	22,451	-
<i>Total liabilities</i>	1,913,239	1,857,878
NET ASSETS		
With donor restrictions	3,000,000	-
Without donor restrictions	769,847	711,669
<i>Total net assets</i>	3,769,847	711,669
<i>Total liabilities and net assets</i>	\$ 5,683,086	\$ 2,569,547

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022			
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 334,522	\$ -	\$ 334,522
Race sponsorships	762,035	-	762,035
Race fundraising	1,419,495	-	1,419,495
Direct benefit to donor costs	(374,814)	-	(374,814)
Contributions	569,330	-	569,330
Bequest	-	3,000,000	3,000,000
Interest and dividend income	2,376	-	2,376
Non-cash contributions	26,739	-	26,739
Employee retention tax credits	170,543	-	170,543
<i>Total revenues, support and other income</i>	2,910,226	3,000,000	5,910,226
EXPENSES			
Program services	1,860,134	-	1,860,134
Management and general	181,499	-	181,499
Fundraising, including race-related expenses	810,415	-	810,415
<i>Total expenses</i>	2,852,048	-	2,852,048
<i>Increase in net assets</i>	58,178	3,000,000	3,058,178
Net assets, beginning of year	711,669	-	711,669
<i>Net assets, end of year</i>	\$ 769,847	\$ 3,000,000	\$ 3,769,847

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 178,275	\$ -	\$ 178,275
Race sponsorships	557,000	-	557,000
Race fundraising	1,024,294	-	1,024,294
Direct benefit to donor costs	(274,275)	-	(274,275)
Grants	1,200	-	1,200
Contributions	486,131	-	486,131
Interest and dividend income	4,045	-	4,045
Government grant	139,685	-	139,685
Non-cash contributions	23,427	-	23,427
<i>Total revenues, support and other income</i>	2,139,782	-	2,139,782
EXPENSES			
Program services	1,313,955	-	1,313,955
Management and general	133,050	-	133,050
Fundraising, including race-related expenses	511,196	-	511,196
<i>Total expenses</i>	1,958,201	-	1,958,201
<i>Increase in net assets</i>	181,581	-	181,581
Net assets, beginning of year	530,088	-	530,088
<i>Net assets, end of year</i>	\$ 711,669	\$ -	\$ 711,669

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Supporting Services					Total
	Program	General and		Fundraising		
		Administrative	Event-related	Other		
Salaries and wages	\$ 363,651	\$ 55,197	\$ 314,948	\$ 45,456	\$ 779,252	
Benefits	32,592	4,947	28,227	4,074	69,840	
Payroll taxes	28,806	5,531	30,649	4,148	69,134	
Insurance	7,164	1,088	6,206	896	15,354	
Grants and awards	1,230,630	-	-	-	1,230,630	
Event expenses	51,611	-	383,371	-	434,982	
Advertising	69,335	3,788	106,256	7,500	186,879	
Licenses and permits	-	83	-	3,362	3,445	
Rent	10,931	1,659	9,467	1,366	23,423	
Occupancy	1,690	257	1,464	211	3,622	
Telephone	5,828	884	5,046	728	12,486	
Supplies	4,400	668	3,811	550	9,429	
Postage	3,581	5,102	1,114	455	10,252	
Printing	7,048	114	652	94	7,908	
Dues and subscriptions	244	4,575	60	3,010	7,889	
Bank fees	-	-	148,730	-	148,730	
Meetings	2,649	1,184	-	-	3,833	
Travel	17,072	2,232	53,535	-	72,839	
Meals and entertainment	1,258	2,342	166	-	3,766	
Professional fees	89	32,300	3,435	-	35,824	
Computer expenses	3,447	12,579	10,721	365	27,112	
Contract services	17,018	36,725	2,102	1,602	57,447	
Miscellaneous	1,090	10,244	1,402	50	12,786	
Total expenses	1,860,134	181,499	1,111,362	73,867	3,226,862	
Less direct benefit to donor costs	-	-	(374,814)	-	(374,814)	
Net expenses	\$ 1,860,134	\$ 181,499	\$ 736,548	\$ 73,867	\$ 2,852,048	
Percent of total expense	65%	6%	26%	3%	100%	

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2021

	Supporting Services				Total
	Program	General and Administrative	Fundraising		
			Event-related	Other	
Salaries and wages	\$ 246,022	\$ 39,761	\$ 231,112	\$ 29,821	\$ 546,716
Benefits	22,601	3,653	2,739	21,231	50,224
Payroll taxes	19,143	3,094	17,983	2,320	42,540
Insurance	5,143	830	4,822	622	11,417
Grants and awards	924,850	-	-	-	924,850
Event expenses	26,740	-	238,358	-	265,098
Advertising	23,225	-	57,914	5,403	86,542
Licenses and permits	-	-	-	4,257	4,257
Rent	9,946	1,607	9,344	1,206	22,103
Occupancy	1,637	265	1,537	198	3,637
Telephone	4,196	678	3,942	509	9,325
Supplies	2,873	464	2,699	348	6,384
Postage	1,210	3,000	310	545	5,065
Printing	5,060	137	799	103	6,099
Dues and subscriptions	100	5,615	60	3,010	8,785
Bank fees	-	-	107,281	-	107,281
Meetings	1,383	1,843	-	-	3,226
Travel	2,925	202	21,733	24	24,884
Meals and entertainment	-	505	148	-	653
Professional fees	12,358	21,540	300	-	34,198
Computer expenses	3,313	13,054	9,853	342	26,562
Contract services	740	34,100	1,130	1,129	37,099
Miscellaneous	490	2,702	2,339	-	5,531
Total expenses	1,313,955	133,050	714,403	71,068	2,232,476
Less direct benefit to donor costs	-	-	(274,275)	-	(274,275)
Net expenses	\$ 1,313,955	\$ 133,050	\$ 440,128	\$ 71,068	\$ 1,958,201
Percent of total expense	67%	7%	22%	4%	100%

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31,	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 3,058,178	\$ 181,581
Adjustments to reconcile change in net assets to net cash		
Amortization of right of use asset	22,584	-
provided by operating activities:		
Changes in assets and liabilities:		
Sponsorship receivables	(87,500)	(31,000)
Bequest receivable	(3,000,000)	-
Prepaid expenses	(59,583)	44,602
Inventory	(8,099)	(3,074)
Grants and awards payable	(46,659)	305,650
Accounts payable and accrued expenses	47,721	15,375
Deferred revenues	31,848	114,612
Payments on lease obligation	(22,248)	-
<i>Net cash provided (used) by operating activities</i>	(63,758)	627,746
<i>Increase (decrease) in cash and cash equivalents</i>	(63,758)	627,746
Cash and cash equivalents, beginning of year	2,504,867	1,877,121
<i>Cash and cash equivalents, end of year</i>	\$ 2,441,109	\$ 2,504,867

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

NON-CASH ACTIVITIES:

ROU assets obtained in exchange for new operating lease liabilities	\$ 43,249	\$ -
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The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Colon Cancer Coalition, Inc. (the Coalition) was incorporated in Minnesota as a 501(c)(3) non-profit organization in August of 2006. The Coalition's mission is to improve health outcomes by reducing barriers to complete colorectal cancer screening and educating the public to advocate for their own health through tailored, local, grassroots solutions.

The Coalition oversees run/walk events throughout the United States branded under Get Your Rear in Gear. Additionally, the Coalition oversees biking and golf events branded under the Tour de Tush and Caboose Cup. For the years ended December 31, 2022 and 2021, 32 and 40 events were held across the United States, respectively. These events are the Coalition's primary source of revenue.

The Coalition has created a network of events that it helps manage or support. The Coalition offers local race partners committed to creating awareness in their community a proven blueprint for success, saving organizers time, money and energy to invest in the success of their event. As the network of events grows, the Coalition has the opportunity to share ideas, strategies, marketing tools and buying power amongst event leaders, sponsors, volunteers and participants.

The Coalition enters into an agreement with the local event volunteers in the city where the race is to be held. The agreement identifies the responsibilities of the Coalition and the local volunteer. The agreement specifies that 75% of net race proceeds are awarded back to the local community. The money raised is given back to the local community in the form of grants and awards to help with prevention, early detection and treatment, healthy living projects, and support for those affected by the disease.

The Coalition is a member of the Minnesota Cancer Alliance, National Colorectal Roundtable and American Society of Clinical Oncology to reduce mortality and the burden of cancer for colorectal patients.

Basis of accounting

The financial statements of the Coalition have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of presentation

Financial statement presentation follows the recommendations of ASC 958, Financial Statements of Not-for-Profit Organizations. Under ASC 958, the Coalition is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of December 31, 2022 and 2021, there were \$3,000,000 and \$0-, respectively, of net assets with donor restrictions.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue from contracts with customers

The Coalition follows Accounting Standards Update (ASU) 2014-09 Revenue from Contracts with Customers (Topic 606) and all subsequently issued clarifying ASU's. This guidance requires the Coalition to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the Coalition expects to be entitled in exchange for those goods or services. This guidance also requires expanded disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Race registrations and sponsorships

The Coalition oversees run/walk races held across the United States. Registration fees for the races are billed to the participant at the time of registration. The race revenue is reported at the amount that reflects the consideration to which the Coalition expects to be entitled in exchange for providing the registrant access to the race. Revenue from races is recognized at the point in time the race is held and the Coalition's performance obligation to hold the race is completed. The Coalition also receives sponsorships from various companies and outside organizations in connection with sponsoring a race to be held. Race sponsors pay for sponsorship packages for races in exchange for access for their representatives to the race itself and access to registrants attending the races to promote their businesses. Registration and sponsorships for the Coalition's races open months before the races are scheduled to be held. Cash receipts for registrations and sponsorships collected in advance of the race are deferred as contract liabilities until earned when the race is held at which point the revenue is recognized, typically within one year. Expenses for races are incurred prior to the race being held and deferred as a contract asset until expensed which is when the race is held.

Revenue recognition for contributions received and contributions made

The Coalition follows Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)* as the standard improves the usefulness and understandability of the Coalition's financial reporting. This ASU provides guidance on determining whether a transaction should be accounted for as a contribution or as an exchange transaction. A primary aspect of this guidance is the determination on whether two parties receive and sacrifice commensurate value to distinguish which guidance should be applied. FASB 958-605, Not-for-Profit Entities – Revenue Recognition should be followed for contributions while FASB 606, Revenue from Contracts with Customers should be followed for exchange transactions.

Promises to give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Coalition considers its Paycheck Protection Program ("PPP") funds as refundable advances and initially recorded them as such on the statement of financial position and followed the guidelines of a conditional promise to give and therefore recognized a contribution when all conditions were met which management determined to be upon forgiveness of the loans from the bank which occurred in September 2021.

Contribution and grant revenue

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Conditional promises to give are not recognized until they become unconditional. The Coalition reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. The Coalition had contributions or grants considered donor restricted for the years ended December 31, 2022 and 2021 in the amount of \$3,000,000 and \$0, respectively.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Non-cash contributions

Contributed materials are recorded as contributions, when received, at their fair market value when such value can be objectively and accurately determined. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received. The Coalition reports the contributions in the net assets without donor restrictions category, unless explicit donor stipulations specify how the donated assets must be used.

In addition, individuals volunteer their time, performing a variety of tasks that assist the Coalition mostly with its races. This volunteer time does not meet the above definition of donated services that need to be recorded. The Coalition had approximately 7,200 and 5,200 hours of donated time towards races for each of the years ended December 31, 2022 and 2021.

Grants and awards payable

Grants and awards payable represent amounts due back to local race partners and designated beneficiaries for races held during the previous year. The payable is recorded immediately following the race and considered unconditional subsequent to completion of the race. The race agreements state that 75% of the net proceeds are eligible for grant distribution regardless of whether grantees are known at the time of the race. Grants are typically paid the following year utilizing cash and cash equivalents to fund its obligations.

Cash and cash equivalents

For purposes of the statement of cash flows, the Coalition considers short-term, highly liquid investments and investments purchased with an original maturity of three months or less to be cash equivalents. The Coalition maintains its accounts in multiple commercial banks. At times, the amounts on deposit in the banks might exceed the insurance limit of the Federal Deposit Insurance Corporation, however, the Coalition believes it is not exposed to any significant credit risk to these cash accounts.

Receivables

Receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Coalition provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances. Receivables are considered impaired if full payments are not received in accordance with contractual terms. It is the Coalition's policy to charge off uncollectible receivables when management determines that a receivable will not be collected. As of December 31, 2022 and 2021, no allowance was recorded due to the fact that the Coalition deemed the receivables to be fully collectible.

Leases

The Coalition has adopted FASB ASC 842, Leases, with a date of initial application of January 1, 2022. For leases with a lease term greater than one year, the Coalition recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. The Coalition determines whether an arrangement is or contains a lease at contract inception. Operating leases with a duration greater than one year are included in operating lease right-of-use assets and operating lease liabilities in the Coalition's statement of financial position at December 31, 2022. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, the Coalition uses an estimate of its incremental borrowing rate. The Coalition considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Coalition is reasonably certain to exercise the option, (2) terminate the lease if the Coalition is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

The operating lease right-of-use assets also include any lease payments made and exclude lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

The Coalition followed ASC 840 for leases prior to January 1, 2022. This standard required operating leases to be recorded as an expense as incurred (monthly) on the statements of activity. The rent expense was recorded at the amounts paid which approximated straight line rent.

Employee Retention Tax Credit

The Coalition applied for certain employment tax credits through the Internal Revenue Service. U.S. GAAP does not have specific guidance for this program. The Coalition is considering the amounts paid and expensed to an employee as a loss recovery and therefore using the guidance in FASB ASC 410, *Asset Retirement and Environmental Obligations*, which indicates that a claim for recovery should be recognized only when the claim is probable.

Functional allocation of expenses

The costs of providing the various program, race and other activities of the Coalition have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs, such as payroll and related taxes and benefits, insurance, and occupancy, have been allocated among the program, race and supporting services benefited based on time allocation and the best estimates of management.

The direct costs of races include security, apparel, race management, contracted labor, equipment rental, credit card and website fees and other direct race expenses.

Advertising

Advertising is charged to expense when incurred. Advertising expenses totaled \$186,879 and \$86,529 for the years ended December 31, 2022 and 2021, respectively.

Income taxes

Colon Cancer Coalition, Inc. is exempt from federal and Minnesota taxation pursuant to the provisions of Section 501(c) (3) of the Internal Revenue Code and Section 290.05 of the Minnesota Statutes and is only subject to federal and state income taxes on net unrelated business income. Since the Coalition had no unrelated business taxable income in 2022 and 2021 the accompanying financial statements do not include any provision for federal or state income taxes.

The Coalition has not been audited, and accordingly the information tax returns for the past three years are open to examination. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements based on the criteria set forth in ASC 740.

NOTE 2. PROMISES TO GIVE

During the year ended December 31, 2022, the Coalition was notified of funding to be received from a donor's estate, estimated to be \$3,000,000. Subsequent to year end, payment in this amount was received. This \$3,000,000 is reported on the statement of financial position as bequest receivable and is included in net assets with donor restrictions.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. (CONTINUED)

Additionally, the Coalition has received an indication of intentions to give additional funding from this same donor's estate estimated to be around \$50,000. This remaining portion is considered a conditional contribution, and the actual amount to be received by the Coalition is uncertain, as such, this amount is not included in contribution revenue for the year ended December 31, 2022.

NOTE 3. REFUNDABLE ADVANCES

On February 8, 2021, the Coalition received loan proceeds (considered a refundable advance) in the amount of \$139,685 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provide loans to qualifying businesses and nonprofits for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business or nonprofit. The loan and accrued interest were forgivable after eight or twenty-four weeks, to be chosen by the borrower, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The Coalition received confirmation of forgiveness of this loan on September 7, 2021, and subsequently recognized the grant revenue.

NOTE 4. NON-CASH CONTRIBUTIONS

The Coalition receives donated non-cash contributions from various groups to fulfill its mission. Non-cash contributions recorded in the financial statements consist of the following:

YEARS ENDED DECEMBER 31,	2022	2021
Advertising	\$ 2,350	\$ 17,959
Race day food	7,885	1,102
Race day equipment rental	9,397	4,366
Prizes and awards	4,107	-
Maintenance	3,000	-
<i>Total</i>	\$ 26,739	\$ 23,427

All non-cash contributions, aside from maintenance, are used in support of races held by the Coalition. Valuation for non-cash contributions is set by the donor and subsequently reviewed by management of the Coalition for reasonableness. Maintenance received in-kind is valued at the amount invoiced by the vendor for the services provided.

NOTE 5. MAJOR SOURCES & CONCENTRATIONS

For the year ended December 31, 2022, a donation totaling 51% of revenues was from one donor and is reported as bequest receivable on the statement of financial position as of December 31, 2022. For the year ended December 31, 2021, there were no such concentrations.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASES

The Coalition has entered into the following lease arrangements:

Operating leases

Third party

The Coalition leases office space on a lease that requires escalating monthly payments that increase by 3% each year through December 2023.

Short term leases

The Coalition leases certain office equipment on a short-term basis. Payments for these leases are included in operating expenses.

Quantitative Disclosures

YEAR ENDED DECEMBER 31, 2022

Lease expense	
Operating lease expense	\$ 22,584
Short term lease expense	839
Total	<u>\$ 23,423</u>

Other Information

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 22,248
ROU assets obtained in exchange for new operating lease liabilities	\$ 43,249
Weighted-average remaining lease term in years for operating leases	1.00
Weighted-average discount rate for operating leases	4.54%

Maturity Analysis

2023	Operating
	\$ 22,920
Total undiscounted cash flows	22,920
Less: present value discount	(469)
Total lease liabilities	<u>\$ 22,451</u>

All leases were considered operating leases. Rent expense charged to operations during the year ended December 31, 2021 was \$22,103.

NOTE 7. RETIREMENT PLAN

The Organization provides retirement benefits to its employees through a defined contribution plan covering all employees. The Organization matches 100% of contributions up to 4% of gross wages. Contributions to the plan during the years ended December 31, 2022 and 2021, totaled \$28,835 and \$20,113, respectively.

NOTE 8. SUBSEQUENT EVENTS

In preparing these financial statements, the Coalition has evaluated events and transactions for potential recognition or disclosure through May 25, 2023, the date the financial statements were available to be issued.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. BOARD DESIGNATED FUNDS

The Board of Colon Cancer Coalition, Inc. can authorize management to designate funds for specific projects. There were no board designated funds for the years ended December 31, 2022 and 2021.

NOTE 10. LIQUIDITY

The Coalition receives significant contributions through event donations and sponsorships which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Coalition manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

The Colon Cancer Coalition raises money that goes back to local communities based on events hosted by those communities in the form of a grant. These discretionary community programs are not immediately payable and fundraising throughout the year is sufficient to replenish the balance on an ongoing basis. The grant cycle is 90-360 days post-race and all monies must go through an application and review process. Grant calculations take into account and cover current working capital needs and the cash position covers 2.5 years of operating expenses.

The Coalition's financial assets available to meet cash needs for general expenditures, including grants payable, within one year as of December 31, 2022 and 2021 were \$5,559,609 and \$2,535,867, consisting of cash of \$2,441,109 and \$2,504,867 and receivables of \$3,118,500 and \$31,000, respectively, which were received in January 2023.