

**Esophageal Cancer Education
Foundation Inc.**
(A Not-for-Profit Organization)
Financial Statements
Year ended December 31, 2023

Esophageal Cancer Education Foundation Inc.

Table of Contents

December 31, 2023

Report of Independent Auditors 1

Financial Statements

Statements of Financial Position 3

Statements of Activities 4

Statements of Functional Expenses 5

Statements of Cash Flows 6

Notes to Financial Statements 7-9

LEHMAN FLYNN VOLLARO PLLC

CERTIFIED PUBLIC ACCOUNTANTS

534 BROADHOLLOW ROAD • SUITE 302

MELVILLE, NY 11747

MARTIN M. LEHMAN, CPA
SCOTT P. FLYNN, CPA
LAWRENCE A. VOLLARO, CPA
MATHEW H. PERETZ, CPA
MATTHEW P. GEYER

TEL: (212) 736-2220
FAX: (212) 736-8018
WEB: www.LNFcpa.com

Members:
American Institute of CPA's
New York State Society of CPA's

Report of Independent Auditors

The Board of Directors
Esophageal Cancer Education Foundation Inc.
New York, NY

Opinion

We have audited the accompanying consolidated financial statements of Esophageal Cancer Education Foundation Inc., which include the statements of consolidated financial position as of December 31, 2023, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Esophageal Cancer Education Foundation Inc. as of December 31, 2023, and the change in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 the Company 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 opinion.

Responsibilities of Management for the 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 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 the Company'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 the Company'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 the Company'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.

Lehman Flynn Vollaro

Melville, NY
April 11, 2024

Esophageal Cancer Education Foundation Inc.
Statements of Financial Position
December 31, 2023

| | |
|--|-------------------|
| Assets | |
| Cash and cash equivalents | <u>\$ 101,411</u> |
| Total assets | <u>101,411</u> |
| | |
| Current liabilities | |
| Accrued expenses and other liabilities | <u>3,300</u> |
| | |
| Net assets | |
| Without donor restrictions | <u>98,111</u> |
| Total liabilities and net assets | <u>\$ 101,411</u> |

See notes to financial statements

3

Esophageal Cancer Education Foundation Inc.
Statement of Activities
Year Ended December 31, 2023

| | Without Donor Restrictions | Percentage of Revenue |
|------------------------------------|-------------------------------|--------------------------|
| Revenue and support | | |
| Contributions | \$ 46,753 | |
| Interest income | 1,573 | |
| | 48,326 | |
| Expenses and losses | | |
| Program services expense | | |
| Total program expenses | 73,005 | 93% |
| Supporting services expense | | |
| Management and general | 4,407 | 6% |
| Fundraising and development | 1,106 | 1% |
| Total supporting services expenses | 5,513 | |
| Total expenses and losses | 78,518 | |
| Change in net assets | (30,192) | |
| Net assets, beginning of year | 128,303 | |
| Net assets, end of year | \$ 98,111 | |

See notes to financial statements

Esophageal Cancer Education Foundation Inc.
Statement of Functional Expenses
Years Ended December 31, 2023

| | Program | Management and General | Fundraising | Total |
|-----------------------------------|------------------|---------------------------|-----------------|------------------|
| Grants | \$ 60,000 | \$ - | \$ - | \$ 60,000 |
| Conferences, meetings | 11,897 | - | - | 11,897 |
| Website | 653 | 652 | 652 | 1,957 |
| Office and other expenses | 455 | 455 | 454 | 1,364 |
| Professional fees | - | 3,300 | - | 3,300 |
| Total expenses by function | \$ 73,005 | \$ 4,407 | \$ 1,106 | \$ 78,518 |

Esophageal Cancer Education Foundation Inc.
Statements of Cash Flows
Years Ended December 31, 2023

| | |
|---|-------------------|
| Cash flows from operating activities | |
| Change in net assets | \$ (30,192) |
| Adjustments to reconcile change in net assets to net cash from (used for) operating activities | |
| Accrued expenses and other liabilities | 50 |
| Net change in cash and cash equivalents | (30,142) |
| Cash and cash equivalents, beginning of year | <u>131,553</u> |
| Cash and cash equivalents, end of year | <u>\$ 101,411</u> |
| | |
| Supplemental disclosure of cash flow information | |
| Cash paid during the year for | |
| Interest | \$ - |
| Income taxes | - |

See notes to financial statements

6

Esophageal Cancer Education Foundation Inc.
Notes to Financial Statements
December 31, 2023

Note 1 - Principal activity and significant accounting policies.

Organization

Esophageal Cancer Education Foundation Inc. (the "Company") is a nonprofit organization located in New Jersey.

The Company's mission is to bring awareness and educate the public and medical community about this dreaded disease, to walk the journey with patients who have the disease, and to financially support research projects that focus on the development of an early warning test for the disease.

Basis of accounting

The accompanying financial statements of the Company have been prepared on the accrual basis of accounting.

Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, *Financial Statements of Not-for-profit Organizations*. Under ASC No. 958, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Cash and cash equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Property and equipment

We record property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2023

Esophageal Cancer Education Foundation Inc.
Notes to Financial Statements
December 31, 2023

Net assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity

Revenue and Revenue Recognition

We record special events revenue equal to the fair value of direct benefits to donors, and contribution revenue for the difference.

We recognize contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Functional allocation of expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

Esophageal Cancer Education Foundation, Inc. is organized as a New Jersey nonprofit corporations and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. We are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to our exempt purposes. We have determined that we are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Esophageal Cancer Education Foundation Inc.

Notes to Financial Statements

December 31, 2023

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of 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, and those differences could be material.

Financial instruments and credit risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts.

Subsequent events

We have evaluated subsequent events through April 11, 2024, the date the financial statements were available to be issued.

Note 2 - Liquidity and availability

We regularly monitor the availability of resources required to meet our operating needs and other contractual commitments.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, consists of the following:

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | <u>\$ 101,411</u> |
| | <u>\$ 101,411</u> |

Esophageal Cancer Education Foundation Inc.
Notes to Financial Statements
December 31, 2023
