

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

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CRAIG WESTBERG  
JAMES MOMMSENSIXTY ORLAND SQUARE DRIVE - ORLAND PARK, ILLINOIS 60462  
708.349.6400 FAX 708.349.5047**Independent Auditor's Report**

To The Officers and Members of  
The Board of Directors  
Pediatric Oncology Treasure Chest Foundation  
Orland Park, Illinois

We have audited the accompanying financial statement of Pediatric Oncology Treasure Chest Foundation, (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statement**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have 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 statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pediatric Oncology Treasure Chest Foundation, as of December 31, 2020, 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.

*Cocalas, Westberg, Mommsen & Co., Ltd.*

Palos Heights, IL 60463

March 16, 2022

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
December 31, 2020

	<u>Assets</u>	<u>2020</u>
Current Assets		
Cash and cash equivalents	\$	169,890
Inventory		43,237
Prepaid/Deposit		2,768
Total current assets	\$	<u>215,895</u>
Property and Equipment		
Building	\$	214,686
Land		23,854
Equipment / Transportation		34,936
Furniture/Fixtures		6,478
Leasehold Improvements		16,419
Less: Accumulation Depreciation		(95,954)
Property and Equipment - Net	\$	<u>200,419</u>
Total Assets	\$	<u><u>416,314</u></u>
	<u>Liabilities &amp; Net Assets</u>	
Current Liabilities		
Accounts payable	\$	9,242
Notes Payable		15,463
Total current liabilities	\$	<u>24,705</u>
Long-Term Liabilities		
Notes payable		65,036
Total long-term liabilities		<u>65,036</u>
Total Liabilities	\$	<u>89,741</u>
Net Assets		
With Donor Restrictions		51,146
Without Donor Restrictions		275,427
Total Net Assets	\$	<u>326,573</u>
Total Liabilities and Net Assets	\$	<u><u>416,314</u></u>

The accompanying notes are an integral part of this statement

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

Statement of Activities

December 31, 2020

<u>Support &amp; Revenue</u>	<u>2020</u>
Contribution	\$ 306,302
Building Fund Donations - with donor restrictions	1,225
Other Income	12,202
PPP loan forgiveness	33,068
Donated Toys	<u>236,181</u>
Total Support & Revenue	\$ 588,978
Expenses	
Program Services	\$ 396,115
Management & General	65,250
Fundraising	<u>17,935</u>
Total Expenses Before Depreciation	\$ 479,300
Change in Net Assets Without Donor Restrictions Before Depreciation	\$ 109,678
Depreciation	<u>10,674</u>
Change in Net Assets Without Donor Restrictions After Depreciation	\$ 99,004
Net Assets, Beginning of Year	<u>227,569</u>
Net Assets, End of Year	<u><u>326,573</u></u>

The accompanying notes are an integral part of this statement

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION  
FOR YEAR ENDED DECEMBER 31, 2020

Description	Programs	Mgt & General	Fund Raising	Total
Salaries	\$ 133,954	\$ 33,488	\$ -	\$ 167,442
Payroll Taxes	11,842	2,961	-	14,803
Client Gift Certificates	2,996	-	-	2,996
Disposal Services	533	133	-	666
Donated Toys Distributed	203,775	-	-	203,775
Dues and Subscriptions	5,075	2,175	-	7,250
Fundraising	-	-	17,935	17,935
Insurance	13,093	8,025	-	21,118
Interest	1,303	3,039	-	4,342
Legal & Accounting	-	5,630	-	5,630
Licenses / Fees	209	313	-	522
Office Expense	2,339	5,457	-	7,796
Repairs & Maintenance	130	390	-	520
Shipping / Printing	12,771	1,419	-	14,190
Telephone	2,549	850	-	3,399
Toys	2,907	-	-	2,907
Travel	246	82	-	328
Utilities	2,393	1,288	-	3,681
Total Expenses before depreciation	<u>\$ 396,115</u>	<u>\$ 65,250</u>	<u>\$ 17,935</u>	<u>\$ 479,300</u>
Depreciation	5,337	5,337	-	10,674
Total Expenses after depreciation	<u>\$ 401,452</u>	<u>\$ 70,587</u>	<u>\$ 17,935</u>	<u>\$ 489,974</u>

The accompanying notes are an integral part of this statement

PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

Statement of Cash Flows

December 31, 2020

OPERATING ACTIVITIES	<u>2020</u>
Change in Net Assets	\$ 99,004
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	10,674
Changes in operating assets and liabilities:	
Prepaid items	2,738
Inventory	(32,406)
Change in payables and accrued expenses	<u>(195)</u>
Net cash (used) provided by operating activities	<u>\$ 79,815</u>
 FINANCING ACTIVITIES	
Repayment of Notes payable	(14,954)
 Increase/Decrease in cash	64,861
Cash at beginning of year	<u>105,029</u>
Cash at end of year	<u>\$ 169,890</u>
 Supplemental disclosures of cash flow information:	
Cash paid during the year for:	
Interest	<u>\$ 1,300.00</u>

The accompanying notes are an integral part of this statement



# PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

#### Nature of Business

Pediatric Oncology Treasure Chest Foundation is an Illinois not-for-profit entity incorporated under the General Not-For-Profit Corporation act of Illinois in 1997. The Organization's mission is to provide comfort and distraction from painful procedures for children who have been diagnosed with cancer by providing toys, gifts and gift cards from a treasure chest supervised by the nursing staff.

#### Basis of Accounting

In accordance with generally accepted accounting principles, the financial statements have been prepared on the accrual basis of accounting, whereas, revenues are recognized when earned and expenses are recognized when incurred.

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its statement of Financial Organizations. Under this guideline, Pediatric Oncology Treasure Chest Foundation is required to report information regarding its financial position according to ASU 2016-14 within two classes of net assets: without donor restrictions or with donor restrictions. At December 31, 2020, the Organization had net assets with donor restrictions and net assets without donor restricts of \$51,146 and \$275,427 respectively.

#### Property and Equipment

The property and equipment fund is to account for funds restricted for property and equipment acquisitions and the subsequent expenditure of those funds. Property and equipment fund acquisitions are financed through current operations. Assets are valued at cost or at estimated value on date of donation. Depreciation is provided on a straight-line basis over estimated useful lives ranging from 3 – 31 years.

#### Income Taxes

Pediatric Oncology Treasure Chest Foundation is exempt from Federal income tax under Section 501c (3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deductions under Section 170 (b) (1) (a) (vi) and has been classified as an organization that is not a private foundation under Section 509 (a) (1).

# PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

### Estimates

The preparation of the Organization's financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

### Contributed Services and Materials

When applicable, donated materials are recorded as support at their estimated fair value at the date of donation. Donated services are recorded at their estimated fair value at a comparable rate for such services that would have otherwise been purchased.

### Support and Revenue

Contributions are considered available for unrestricted use unless specifically restricted by the donors. The Organization 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. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

# PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

### Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### Financial Instruments

The corporation's financial instruments at December 31, 2020 consist of actual cash balances. The corporation maintains its cash balances in two (2) financial institutions. The balances are insured by the Federal Deposit Insurance corporation up to \$250,000. The corporation had no uninsured cash balance at December 31, 2020.

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments, if any, purchased with an original maturity of three months or less to be cash equivalents.

### Related Party Transactions

During the year ending December 31, 2020, Pediatric Oncology Treasure Chest Foundation did not enter into any significant related party transactions.

### Notes Payable

During the year ending December 31, 2012, Pediatric Oncology Treasure Chest Foundation bought a building with a loan from The Sharon L. Denning Revocable Trust. The Organization's mortgage payable as reflected on the statement of financial position amount to \$75,202, of which \$13,083 is current and \$62,119 is long-term.

During the year ending December 31, 2020, Pediatric Oncology Treasure Chest Foundation bought a vehicle with a loan from Bettenhausen Fiat. The Organization's note payable as reflected on the statement of financial position amounts to \$5,297, of which \$2,380 is current and \$2,917 is long-term.

**PEDIATRIC ONCOLOGY TREASURE CHEST FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through January 7, 2022, the date the financial statements were available to be issued.

The evolving COVID-19 pandemic has affected the Foundation's receipt of toy donations at its physical location. The effect of a continued pandemic may continue to impact the Foundations receipt of toys. Management is currently evaluating the impact of the COVID-19 pandemic on the general environment and has concluded that while it is reasonably possible that the virus could have a negative effect on the Foundation's financial position, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.