

**Stomach Cancer Awareness Network (dba Hope for
Stomach Cancer)**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Stomach Cancer Awareness Network (dba Hope for Stomach Cancer)

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See Accountant's Compilation Report



ACCOUNTANT'S COMPILATION REPORT – MODIFIED CASH BASIS

To the Board of Directors
Stomach Cancer Awareness Network (dba Hope for Stomach Cancer)
Marina del Rey, CA

Management is responsible for the accompanying financial statements of Stomach Cancer Awareness Network (dba Hope for Stomach Cancer) (a California Nonprofit Public Benefit Corporation), which comprise the statement of assets, liabilities, and net assets as of December 31, 2023, and the related statements of support, revenue, and expenses for the year then ended, and the related notes to the financial statements in accordance with the cash basis method of accounting (Note 2). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICAP. We did not audit or review the financial statements nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

We are not independent with respect to Stomach Cancer Awareness Network (dba Hope for Stomach Cancer) as of and for the year ended December 31, 2023, because we performed certain accounting services that impaired our independence.

Terra Business Solutions

Terra Business Solutions

Covina, CA

January 8, 2025

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STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
AT DECEMBER 31, 2023

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 390,999
Total Current Assets	<u>\$ 390,999</u>
Total Assets	<u><u>\$ 390,999</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Total Current Liabilities	<u>\$ -</u>
Total Liabilities	<u>\$ -</u>
Net Assets (Note 8)	
Net Assets With Donor Restrictions	\$ -
Net Assets Without Donor Restrictions	390,999
Total Net Assets	<u>\$ 390,999</u>
Total Liabilities and Net Assets	<u><u>\$ 390,999</u></u>

See Accountant's Compilation Report

STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)
STATEMENT OF SUPPORT, REVENUE, AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenues			
Grant Revenue	\$ 541,387	\$ -	\$ 541,387
Special Events (Net of Expenses)	(38,917)	-	(38,917)
Total Support and Revenues before Releases	<u>\$ 502,470</u>	<u>\$ -</u>	<u>\$ 502,470</u>
Net Assets Released from Restrictions	-	-	-
Total Support and Revenues	<u>\$ 502,470</u>	<u>\$ -</u>	<u>\$ 502,470</u>
Expenses			
Advertising and Promotional Expense	\$ 102,240	\$ -	\$ 102,240
Bank Charges and Fees	1,415	-	1,415
Blog and Production Expense	14,381	-	14,381
Charitable Contributions	1,707	-	1,707
Dues & Subscriptions	12,928	-	12,928
Grant Support	4,922	-	4,922
Honorarium	15,000	-	15,000
Insurance Expense	2,304	-	2,304
IT and Internet Expense	27,292	-	27,292
Office Supplies	23,318	-	23,318
Other Expense	1,450	-	1,450
Professional Services	14,397	-	14,397
Program Expense	67,025	-	67,025
Occupancy Expense	5,622	-	5,622
Telephone Expense	1,813	-	1,813
Travel Expense	80,219	-	80,219
Total Expenses	<u>\$ 376,033</u>	<u>\$ -</u>	<u>\$ 376,033</u>
Change in Net Assets	<u>\$ 126,437</u>	<u>\$ -</u>	<u>\$ 126,437</u>
Net Assets, Beginning	<u>264,562</u>	<u>-</u>	<u>264,562</u>
Net Assets, Ending	<u>\$ 390,999</u>	<u>\$ -</u>	<u>\$ 390,999</u>

See Accountant's Compilation Report

STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - Principal Activity

Stomach Cancer Awareness Network (dba Hope for Stomach Cancer) ("the Organization") is a California public benefit nonprofit corporation. The Organization was formed to provide support, resources and awareness to those affected by stomach cancer. Through research, early detection and prevention we serve the stomach cancer community, helping to save lives and working to find a cure.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the modified cash basis of accounting, modified to record assets or liabilities with respect to cash transactions and events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. The modifications result in the recording of capital assets, and related short-term and long-term obligations on the statement of assets, liabilities, and net assets – modified cash basis.

This method of accounting represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). This basis of accounting differs from GAAP primarily because certain revenue and related assets (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) have been recognized when received rather than when earned and certain expenses and related liabilities (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued liabilities and expenses) have been recognized when paid rather than when the obligations were incurred. Management has a choice in the financial statements framework that is used. It is management's responsibility to determine that the modified cash basis financial reporting framework is acceptable in the circumstances. The modified-cash basis of accounting was chosen to simplify reporting for the Organization.

Tax-Exempt Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and state income taxes under corresponding provisions of their taxation codes and does not conduct unrelated business activities. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue code. The Organization has also been classified as an entity that is not a private organization within the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision has been made for federal or state income taxes in the accompanying financial statements.

Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions based on available information. Actual results could differ from those estimates.

See Accountant's Compilation Report

STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – Summary of Significant Accounting Policies (continued)

Uncertain Tax Positions

The Organization follows accounting standards established by the Financial Accounting Standards Board (FASB) ASC 740 which clarify the accounting for uncertainty in income taxes recognized in the financial statements and ASC 740-10-25 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, and measurement of a tax position taken or to be taken in a tax return. The Organization has no uncertain tax positions resulting in any tax expense or benefit that would have a material impact on the financial statements for the year ending December 31, 2023.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available with a maturity date of three months or less, which are neither held for, nor restricted by donors for long-term purposes, to be cash and cash equivalents without donor restrictions.

Concentration of Credit Risk

The Organization restricts investments of cash to financial institutions of high credit standing. Deposit concentration risk is managed by placing cash with financial institutions believed by the Organization to be creditworthy. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

The Organization has not experienced any loss in such accounts. At December 31, 2023, the Organization had \$140,000 in uninsured balances.

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

Consists of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in any of its programs or supporting services. Net assets without donor restrictions also include amounts designated for certain purposes by the Board of Directors.

STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 – Summary of Significant Accounting Policies (continued)

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. 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 statements of activities as net assets released from restrictions.

Revenue Recognition

Grants, donations, and other revenues are recognized as revenues in the period received. Donations of gifts of cash and other assets are recorded as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of those donated assets. When a donor use restriction is met, temporarily restricted net assets are reclassified as unrestricted in the financial statements.

Advertising Costs

Advertising costs are expensed as incurred. For the year ended December 31, 2023, the Organization incurred \$102,240 for advertising related costs. All the advertising costs are for the promotion of the Organization's mission.

NOTE 3 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2023
Cash and cash equivalents	<u>\$390,999</u>

As part of its liquidity management, the Organization maintains liquid assets sufficient to meet its ongoing funding needs, which include general expenditures and other obligations. Its main source of income is from grants.

NOTE 4 - Net Assets

The Organization had no net assets with donor restrictions on December 31, 2023.

See Accountant's Compilation Report

STOMACH CANCER AWARENESS NETWORK (dba HOPE FOR STOMACH CANCER)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - Loss Contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business are recorded as liabilities when the likelihood of loss is probable, and a range of the amount of the loss can be reasonably estimated. Management believes there are no such matters that will have a material effect on the financial statements.

NOTE 6 – Subsequent Events

The Organization has evaluated subsequent events through January 8, 2025, which is the date that the financial statements were approved and available to be issued and determined that there were no events that would have a material effect on these financial statements.

See Accountant's Compilation Report

