

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.**

FINANCIAL STATEMENT

For the Year Ended December 31, 2017

Spero Schachter & DePalma LLC
Certified Public Accountants and Consultants

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
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Spero, Schachter & DePalma LLC

Certified Public Accountants and Consultants

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors
Congenital Adrenal Hyperplasia Research,
Education and Support Foundation, Inc.
Union, New Jersey**

Report on the Financial Statements

We have audited the accompanying financial statements of Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. which comprise the statement of financial position as of December 31, 2017, 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 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 audits. We conducted our audits 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 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, the auditor considers 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 the 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 Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Spero, Schachter & DePalma, LLC

Spero, Schachter & DePalma, LLC

Parsippany, New Jersey

June 1, 2018

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2017**

EXHIBIT A

ASSETS

Cash	\$ 82,757
Cash - Savings	225,798
Investments	3,636
Prepaid expenses	19,626
Furniture and fixtures and equipment	1,420
Security deposit	<u>2,450</u>

TOTAL ASSETS \$ 335,687

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$ 1,192
Accrued payroll	4,391
Payroll taxes payable	13,113
Deferred Revenue	<u>28,634</u>

Total Liabilities \$ 47,330

Net Assets:

Net assets with donor restrictions	\$ -
Net assets without donor restrictions	<u>288,357</u>

Total Net Assets \$ 288,357

TOTAL LIABILITIES AND NET ASSETS \$ 335,687

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017**

EXHIBIT B

	<u>Without Donor Restrictions</u>	<u>Donor Restricted</u>	<u>Total</u>
Revenues:			
Contributions	\$ 476,983	\$ 17,711	\$ 494,694
Loss on sale of investments	(12)	-	(12)
Interest and dividends	<u>1,030</u>	<u>-</u>	<u>1,030</u>
Total Revenues	<u>\$ 478,001</u>	<u>\$ 17,711</u>	<u>\$ 495,712</u>
Expenses:			
Program	\$ 390,541	\$ 17,711	\$ 408,252
Management and general	59,578	-	59,578
Fundraising	<u>27,490</u>	<u>-</u>	<u>27,490</u>
Total Expenses	<u>\$ 477,609</u>	<u>\$ 17,711</u>	<u>\$ 495,320</u>
 INCREASE IN NET ASSETS	 \$ 392	 \$ -	 \$ 392
Net assets, January 1, 2017	<u>287,965</u>	<u>-</u>	<u>287,965</u>
 NET ASSETS, DECEMBER 31, 2017	 <u><u>\$ 288,357</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 288,357</u></u>

See Independent Auditors' Report and Accompanying Notes.

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2017

EXHIBIT C

	Program Services	Management & General	Fundraising	Donor Restricted	Totals
Bank and credit card fees	\$ 3,287	\$ 804	\$ 3,214	\$ -	\$ 7,305
Comprehensive care payments	10,000	-	-	-	10,000
Consulting	12,371	252	-	-	12,623
Dues and subscriptions	3,288	1,547	-	-	4,835
Depreciation	-	1,218	-	-	1,218
Event costs	46,034	-	8,768	-	54,802
Grants:Education	3,095	-	-	-	3,095
Grants:Research	6,210	-	-	-	6,210
Insurance	905	4,926	44	-	5,874
License and permits	1,835	1,368	133	-	3,337
Payroll expense	241,851	37,880	11,655	-	291,387
Payroll taxes	18,892	2,959	910	-	22,761
Printing, postage and publications	4,265	-	1,157	17,711	23,133
Professional fees	1,369	5,627	96	-	7,092
Professional training and education	4,855	-	-	-	4,855
Rent and cleaning	16,782	1,561	1,171	-	19,514
Supplies & office expense	4,802	1,126	-	-	5,928
Telephone and internet	4,783	213	319	-	5,314
Travel & Entertainment:					
Education	552	-	-	-	552
Research	4,221	-	-	-	4,221
Other	-	97	-	-	97
Website maintenance	1,145	-	23	-	1,168
TOTAL EXPENSES	\$ 390,541	\$ 59,578	\$ 27,490	\$ 17,711	\$ 495,320

See Independent Auditors' Report and Accompanying Notes.

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017**

EXHIBIT D

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 392
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	1,218
Prepaid expenses and security deposit	(4,271)
Accounts payable and other liabilities	2,281
Deferred revenue	28,634
Donated securities	(6,695)
Loss on sale of investments	12
Net Cash Provided by Operating Activities	<u>\$ 21,571</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of investments	<u>3,047</u>
Net Cash Provided by Investing Activities	<u>\$ 3,047</u>

NET INCREASE IN CASH \$ 24,618

Cash Balance, January 1, 2017 283,937

CASH BALANCE, DECEMBER 31, 2017 \$ 308,555

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Program

Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc. is dedicated to educating the public and physicians about all forms of Congenital Adrenal Hyperplasia, its symptoms, diagnostic protocols, treatment, genetic frequency, the necessity of early intervention and benefits of newborn screening. It is also dedicated to providing support and information to affected individuals and their families.

Basis of Presentation

Congenital Adrenal Hyperplasia Research, Education and Support Foundation, Inc.'s financial statements have been prepared on the accrual basis of accounting and in accordance with Statements of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and No. 117, *Financial Statements for Not-for-Profit Organizations*. Statement No. 116 requires that contributions be recognized as additions to net assets when they are received at their fair values. Statement No. 117 requires that resources be classified for accounting and reporting purposes into separate classes of net assets (unrestricted, temporarily restricted and permanently restricted) based on the existence or absence of donor-imposed restrictions. Assets and liabilities are presented in the order of their relative liquidity.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization keeps its excess cash in several institutions as of December 31, 2017. The Organization had no uninsured balances.

Income Taxes

The Foundation is exempt from federal income taxes under the Internal Revenue Code, Section 501 (c) (3); accordingly, no provision is made for state and federal income taxes.

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
EDUCATION AND SUPPORT FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES...(continued)

Depreciation

Depreciation is provided on the straight-line method over the useful economic life of the assets as follows:

Furniture, Fixtures, and Equipment	5 to 10 years
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Donor-Imposed Restrictions

The expiration of a donor-imposed restriction on a contribution occurs in the period when the stipulated purpose for which the resource was restricted has been fulfilled. Resources that are no longer restricted are reclassified to unrestricted net assets for financial statement presentation purposes.

Allocation of Joint Costs

In accordance with SFAS-117 *Financial Statements of Not-for-Profit Organizations*, the Foundation classifies its functional expenses as program, management and general, and fund raising expenses. Joint costs are allocated based on the number of employee hours, square footage and determined usage. Joint costs include salaries and wages, payroll taxes and benefits, occupancy costs, telephone, insurance and equipment rentals.

NOTE B - INVESTMENTS

The cost of the equity security is \$3,636 and the fair value at December 31, 2017 is \$3,631.

NOTE C - FIXED ASSETS

Fixed assets are stated at cost net of accumulated depreciation as follows:

Computer Equipment	\$	8,404
Furniture		13,445
Telephone System		3,950
	\$	25,799
Less: Accumulated Depreciation		(24,379)
	\$	<u>1,420</u>

The Depreciation expense for the year ended December 31, 2017 was \$1,218.

NOTE D - PREPAID EXPENSES

Prepaid expenses in the amount of 18,500 represent deposits and expenses incurred in 2017 for the Organization's 2018 fund raising event.

**CONGENITAL ADRENAL HYPERPLASIA RESEARCH,
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NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE E - COMMITMENTS

Starting August 1, 2015 the Foundation leases its office space at 2414 Morris Avenue, Union, New Jersey on a month to month basis. Payments under this lease are \$1,827 a month.

NOTE F - SUBSEQUENT EVENTS

The subsequent events were evaluated through June 1, 2018, the date which the financial statements were available to be issued.

NOTE G -ACCOUNTING FOR UNCERTAIN TAX POSITIONS

The Company has evaluated its tax position for uncertainties under the guidelines of ASC Codification #740-10-25, with respect to the financial statements for the year ended December 31, 2017. Based on this evaluation, the Company has determined that the liability created for uncertain tax positions at December 31, 2017 is not material.