



June 10, 2024

To the Board of Directors and Management of
GILDA'S CLUB CHICAGO

We have audited the financial statements of **GILDA'S CLUB CHICAGO** for the year ended December 31, 2023, and we will issue our report thereon dated June 10, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 8, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **GILDA'S CLUB CHICAGO** are described in Note 1 to the financial statements.

As of January 1, 2023, the Organization adopted Accounting Standards Update (ASU) 2016-13, *Measurement of Credit Losses on Financial Instruments* (ASC 326). This standard replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and trade receivables. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. This standard was adopted for the Organization's year ending December 31, 2023. Implementation of this policy did not result in adjustments to the financial statements.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the useful lives of depreciable assets is based on historical data and analysis. We evaluated the key factors and assumptions used to develop the useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.



Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements noted in the course of the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 10, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During our audit, we noted donor designated contributions were recorded as unrestricted. We also noted time restricted contribution releases being prorated based on the passage of time. The restrictions are allowable as expenses are incurred once the grant period has begun. We would recommend for management to update the donor restricted schedule for additions and releases monthly or quarterly and give grants letters a second review to make sure none were omitted from the schedule. Additionally, releases should also be reviewed to make sure there are enough allowable expenditures to validate the amounts released.

Other Matters

This information is intended solely for the use of Board of Directors and management of **GILDA'S CLUB CHICAGO** and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



GILDA'S CLUB CHICAGO

Financial Statements

December 31, 2023 and 2022

GILDA'S CLUB CHICAGO
FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Gilda's Club Chicago
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of Gilda's Club Chicago (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Gilda's Club Chicago as of December 31, 2023 and 2022, and the changes 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 Gilda's Club Chicago 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 Gilda's Club Chicago'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, including omissions, 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 Gilda's Club Chicago'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 Gilda's Club Chicago'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.

Oak Brook, Illinois
June 10, 2024

GILDA'S CLUB CHICAGO
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 901,764	\$ 934,063
Contributions receivable	18,590	-
Employee Retention Tax Credit receivable	-	111,613
Prepaid expenses	31,779	34,243
Property and equipment, net	887,474	910,065
	<hr/>	<hr/>
Total Assets	\$ 1,839,607	\$ 1,989,984
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	\$ 15,169	\$ 9,306
Accrued expenses	103,571	113,480
Deferred revenue	10,000	-
	<hr/>	<hr/>
Total Liabilities	128,740	122,786
	<hr/>	<hr/>
NET ASSETS		
Without donor restrictions	1,710,867	1,818,200
With donor restrictions	-	48,998
	<hr/>	<hr/>
Total Net Assets	1,710,867	1,867,198
	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 1,839,607	\$ 1,989,984
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The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Individual contributions	\$ 443,496	\$ -	\$ 443,496
Corporation and foundation grants	172,312	310,750	483,062
Special events and sponsorships, net of special event expenses of \$173,090	883,307	-	883,307
Interest income	21,533	-	21,533
Contributions of nonfinancial assets	113,005	-	113,005
Net assets released from restrictions	359,748	(359,748)	-
	<u>1,993,401</u>	<u>(48,998)</u>	<u>1,944,403</u>
Total Revenue			
EXPENSES			
Program services			
Support for people with cancer and their families	1,466,289	-	1,466,289
Support Services			
Management and general	178,439	-	178,439
Fundraising	456,006	-	456,006
	<u>2,100,734</u>	<u>-</u>	<u>2,100,734</u>
Total Expenses			
CHANGE IN NET ASSETS	(107,333)	(48,998)	(156,331)
NET ASSETS			
Beginning of year	<u>1,818,200</u>	<u>48,998</u>	<u>1,867,198</u>
End of year	<u>\$ 1,710,867</u>	<u>\$ -</u>	<u>\$ 1,710,867</u>

The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Individual contributions	\$ 352,358	\$ -	\$ 352,358
Corporation and foundation grants	756,450	278,650	1,035,100
Special events and sponsorships, net of special event expenses of \$143,747	597,408	-	597,408
Interest income	18,793	-	18,793
Contributions of nonfinancial assets	20,972	-	20,972
Employee Retention Tax Credit	99,613	-	99,613
Miscellaneous income	1,148	-	1,148
Net assets released from restrictions	233,652	(233,652)	-
	<u>2,080,394</u>	<u>44,998</u>	<u>2,125,392</u>
Total Revenue			
	<u>2,080,394</u>	<u>44,998</u>	<u>2,125,392</u>
EXPENSES			
Program services			
Support for people with cancer and their families	1,297,771	-	1,297,771
Support Services			
Management and general	163,039	-	163,039
Fundraising	375,129	-	375,129
	<u>1,835,939</u>	<u>-</u>	<u>1,835,939</u>
Total Expenses			
	<u>1,835,939</u>	<u>-</u>	<u>1,835,939</u>
CHANGE IN NET ASSETS	244,455	44,998	289,453
NET ASSETS			
Beginning of year	1,573,745	4,000	1,577,745
	<u>1,573,745</u>	<u>4,000</u>	<u>1,577,745</u>
End of year	\$ 1,818,200	\$ 48,998	\$ 1,867,198
	<u>\$ 1,818,200</u>	<u>\$ 48,998</u>	<u>\$ 1,867,198</u>

The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

		Support Services		
	Program Services	Management and General	Fundraising	Total
Salaries	\$ 844,727	\$ 66,470	\$ 214,428	\$ 1,125,625
Payroll taxes	70,125	5,518	17,801	93,444
Health insurance	124,490	9,645	30,871	165,006
Employee Benefits	21,504	1,860	4,277	27,641
Total Salaries and Related Expenses	1,060,846	83,493	267,377	1,411,716
Advertising and promotion	1,777	-	28,094	29,871
Computer	1,038	65	195	1,298
Contractual services	146,954	-	10,050	157,004
Facility rental expense	72,487	424	21,259	94,170
Food and beverage	3,332	3	50,194	53,529
Insurance	26,153	1,634	4,903	32,690
Licenses, fees and dues	29,809	23,675	21,152	74,636
Miscellaneous	4,650	366	1,180	6,196
Printing, postage and shipping	1,292	467	7,920	9,679
Professional fees	30,953	64,502	32,203	127,658
Repairs and maintenance	11,230	520	1,560	13,310
Seminars and education	563	-	320	883
Supplies	14,512	272	116	14,900
Telephone	11,887	707	2,221	14,815
Transportation assistance	1,200	-	-	1,200
Travel	10,771	8	355	11,134
Utilities	9,699	606	1,819	12,124
Total Expenses before Depreciation and Amortization	1,439,153	176,742	450,918	2,066,813
Depreciation and amortization	27,136	1,697	5,088	33,921
Total Expenses	<u>\$ 1,466,289</u>	<u>\$ 178,439</u>	<u>\$ 456,006</u>	<u>\$ 2,100,734</u>

The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

		Support Services		
	Program Services	Management and General	Fundraising	Total
Salaries	\$ 756,561	\$ 66,158	\$ 231,707	\$ 1,054,426
Payroll taxes	58,218	5,091	17,830	81,139
Health insurance	111,056	6,920	20,762	138,738
Employee benefits	18,681	1,634	5,721	26,036
Total Salaries and Related Expenses	944,516	79,803	276,020	1,300,339
Advertising and promotion	40,504	1,777	7,954	50,235
Computer	6,001	20	400	6,421
Contractual services	99,215	-	-	99,215
Facility rental expense	2,367	148	444	2,959
Food and beverage	2,404	279	1,324	4,007
Insurance	22,910	805	4,296	28,011
Licenses, fees and dues	36,974	25,388	10,304	72,666
Miscellaneous	6,358	6,698	1,192	14,248
Printing, postage and shipping	1,814	85	7,170	9,069
Professional fees	45,696	40,606	50,884	137,186
Repairs and maintenance	22,038	1,377	4,132	27,547
Seminars and education	3,813	145	60	4,018
Supplies	11,830	2,318	601	14,749
Telephone	10,529	462	2,203	13,194
Travel	7,562	932	1,988	10,482
Utilities	8,459	672	1,586	10,717
Total Expenses before Depreciation and Amortization	1,273,390	161,515	370,558	1,805,463
Depreciation and amortization	24,381	1,524	4,571	30,476
Total Expenses	<u>\$ 1,297,771</u>	<u>\$ 163,039</u>	<u>\$ 375,129</u>	<u>\$ 1,835,939</u>

The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (156,331)	\$ 289,453
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	33,921	30,476
Changes in assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(18,590)	-
Employee Retention Tax Credit receivable	111,613	(111,613)
Prepaid expenses	2,464	(5,471)
Increase (decrease) in:		
Accounts payable and accrued expenses	(4,046)	18,669
Deferred revenue	<u>10,000</u>	<u>-</u>
Net Cash (Used in) Provided by Operating Activities	<u>(20,969)</u>	<u>221,514</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(11,330)</u>	<u>(47,245)</u>
Net Cash Used in Investing Activities	<u>(11,330)</u>	<u>(47,245)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(32,299)	174,269
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>934,063</u>	<u>759,794</u>
End of year	<u><u>\$ 901,764</u></u>	<u><u>\$ 934,063</u></u>
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Cash paid for taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

GILDA'S CLUB CHICAGO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

1. NATURE OF ORGANIZATION

Gilda's Club Chicago (the Organization) provides a place where men, women, and children with cancer and their families and friends join with others to build social and emotional support as a supplement to medical care in the Chicagoland area. Beginning on March 16, 2020, the Organization's programs were facilitated virtually, and have since become virtual and in-person. The Organization derives its revenues primarily from contributions and special events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – These financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Adoption of New Accounting Standards – The Organization adopted Accounting Standards Update (ASU) 2016-13, Measurement of Credit Losses on Financial Instruments (ASC 326), issued by the Financial Accounting Standards Board (FASB). This standard replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and trade receivables. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The Organization adopted the policy in the current year with no financial impact on the financial statements.

Cash and Cash Equivalents – Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. At December 31, 2023 and 2022, cash equivalents consisted primarily of money market accounts.

The Organization places its cash with financial institutions deemed to be creditworthy. Balances are insured by the FDIC up to \$250,000 per financial institution. Although balances may at times exceed insured limits, management believes this credit risk to be minimal.

Contributions Receivable – When an unconditional contribution is received or the condition has been fulfilled for a conditional promise to give, the corresponding contribution receivable is recorded as revenue at the present value of expected proceeds.

GILDA'S CLUB CHICAGO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Management provides for probable allowance for contributions receivable based on historical information and its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contributions receivable. As of December 31, 2023 and 2022 there was no allowance for doubtful accounts.

Accounts Receivable – Accounts receivable are stated at their unpaid balances. The Organization estimates expected credit losses over the lifetime of the receivables, using a portfolio approach based on shared risk characteristics. This grouping involves consideration of the type of receivable, debtor characteristics, historical loss rates, and any current or forecasted conditions that might impact the debtor's ability to pay. The estimate includes a forward-looking approach, considering historical experience, current conditions, and reasonable and supportable forecasts. The organization reviews and updates its loss estimates each reporting period to reflect changes in risk assessments and actual experience. Changes in the allowance for credit losses are recorded within the statement of activities as a credit loss expense. The was no allowance for credit losses at December 31, 2023 and 2022.

Property and Equipment - Purchased property and equipment are stated at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation and amortization are calculated based on estimated useful lives using the straight-line method, ranging from 3 to 25 years. The Organization's policy is to capitalize all expenditures for improvements, property, and equipment in excess of \$1,000, if the expenditure is expected to prolong the life of the asset.

Maintenance and repair costs are expensed as incurred.

Classification of Net Assets - Net assets of the Organization are classified as with or without donor restrictions depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time, the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports gifts of cash or other assets as revenue with donor restrictions 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 fulfilled, the net assets are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

GILDA'S CLUB CHICAGO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Revenue Recognition – A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions are substantially met.

Contributed income is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of restrictions on net assets due to either the Organization fulfilling donor-imposed restrictions or the passage of time are reported as net assets released from restrictions.

Contributed income may include gifts of cash, collection items, or promises to give. Contributions of assets other than cash are reported at their estimated fair value. Donated services are recognized as contributions at their estimated fair market value if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization.

When considered material, contributions and grants to be received after one (1) year are discounted at an appropriate discount rate commensurate with the risk involved. Multi-year commitments are recorded during the year of the initial pledge.

Contributed income of cash or other assets that must be used to acquire long-lived assets are recorded as contributions with donor restrictions and grants until the assets are acquired and placed in service.

The Organization generally measures earned revenue based on the amount of consideration the Organization expects to be entitled for the transfer of goods or services to a customer, then recognizes this revenue when or as the Organization satisfies its performance obligations under a contract, except in transactions where U.S. GAAP provides other applicable guidance. The Organization evaluates its revenue contracts with customers (i.e., earned revenue) based on the five-step model under Topic 606: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

Special event revenue includes amounts paid in exchange for goods and services. Such amounts are earned at a point-in-time and is recorded as revenue when the event occurs. Amounts collected prior to the event occurring are recorded as contract liabilities. There was \$10,000 in contract liabilities as of December 31, 2023. There were no such contract liabilities at December 31, 2022. Revenue recorded at a point-in-time for the years ended December 31, 2023 and 2022 was approximately \$230,000 and \$140,000, respectively, and included raffle and auction revenue and special event ticket sales.

GILDA'S CLUB CHICAGO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Functional Allocation of Expenses - The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of that functional area. Costs that benefit multiple functional areas are allocated across program, management and general, and fundraising expenses either (1) based on salary expenses attributable to a functional area, (2) based on square footage, or (3) based on which functional area benefits from the cost. Salaries that are not directly attributable to a specific functional area are allocated to functional areas based on estimates of time and effort. Square footage is attributed to a functional area based on the types of activities performed in that space during the year.

Income Taxes - The Organization claims exemption from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar provisions of state tax codes. The Organization recognizes the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Organization's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the Internal Revenue Service and the corresponding State, generally for three years after they were filed.

3. LIQUIDITY OF AVAILABILITY OF RESOURCES

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents.

For purposes of analyzing resources available to meet general expenditures over the next 12-month period, the Organization considers all expenditures related to its ongoing activities, including those funded by restricted donations, as well as the conduct of services undertaken to support those activities to be general expenditures.

The Organization's financial assets available for general expenditure within one year of the statements of financial position date are as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 901,764	\$ 934,063
Contributions receivable	<u>18,590</u>	<u>-</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 920,354</u>	<u>\$ 934,063</u>

The Organization has a policy to maintain a cash reserve of three months and, as of December 31, 2023, has three months of operating funds on hand.

GILDA'S CLUB CHICAGO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Land	\$ 725,000	\$ 725,000
Building and building improvements	1,527,558	1,520,803
Furniture, fixtures and equipment	426,657	422,082
Website	149,945	149,945
	<u>2,829,160</u>	<u>2,817,830</u>
Less: Accumulated depreciation and amortization	<u>(1,941,686)</u>	<u>(1,907,765)</u>
Total property and equipment, net	<u>\$ 887,474</u>	<u>\$ 910,065</u>

5. NET ASSETS WITH DONOR RESTRICTIONS

The Organization had no net assets with donor restrictions as of December 31, 2023. Net assets with donor restrictions consisted of the following as of December 31, 2022:

Amounts subject to expenditure
for a specified purpose or time

One-on-one outreach	\$ 23,998
Time-restricted contributions	<u>25,000</u>
	<u>\$ 48,998</u>

Net assets were released from restrictions for the following purpose or time restriction during the years ended December 31:

	<u>2023</u>	<u>2022</u>
Social medial awareness campaign related to metastatic breast cancer	\$ -	\$ 40,000
Noogieland program	10,000	10,000
Northwestern Memorial Hospital	182,750	150,000
Other programs	54,498	13,652
Time-restricted contributions	<u>112,500</u>	<u>20,000</u>
	<u>\$ 359,748</u>	<u>\$ 233,652</u>

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6. CONTRIBUTIONS OF NONFINANCIAL ASSETS

During the years ended December 31, 2023 and 2022, the Organization received contributed nonfinancial goods and services as follows:

Type of Nonfinancial Asset or Service	2023	2022	Utilization in Programs/Activities	Valuation Techniques and Inputs
Donated space	\$ 70,000	\$ -	Program	Estimated based on current market rates for similar spaces.
Program supplies	6,700	12,000	Program	Estimated based on wholesale values of similar products sold in the United States
Program facilitators	15,950	3,500	Program	Estimated based on current rates for similar services
Food and beverages	20,355	5,472	Fundraising	Estimated based on wholesale values of similar products sold in the United States
	<u>\$ 113,005</u>	<u>\$ 20,972</u>		

Unless otherwise noted, there were no ongoing donor restrictions related to the contributions. All contributions were utilized in ongoing operations of the Organization rather than monetized. All contributed nonfinancial assets were used in the United States.

7. SPECIAL EVENT EXPENSES

Special event expenses, by natural category, are as follows, for the year ended December 31:

	2023	2022
Event management	\$ 61,000	\$ 55,200
Food and beverage	87,750	50,130
Facility rental	14,230	7,260
Promotion/supplies	9,822	30,157
Other	288	1,000
	<u>\$ 173,090</u>	<u>\$ 143,747</u>

All special event expenses summarized above are considered fundraising expenses for purposes of categorization of expenses by function.

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8. CONCENTRATIONS

It is always considered reasonably possible that benefactors, grantors, or contributors might be lost in the near term. For the years ended December 31, 2023 and 2022, one special event comprised 34% and 24% of the Organization's revenues, respectively. No individual or foundation donor concentrations were noted in 2023. During 2022, one foundation comprised 23% of the Organization's revenues.

9. RETIREMENT PLAN

The Organization sponsors a 401(k) plan for eligible employees. Employee elective deferrals are matched by the Organization at the rate of 50% up to 6% of compensation. The Organization contributed \$27,641 and \$26,036 to the plan during 2023 and 2022, respectively.

10. LINE OF CREDIT

The Organization had a \$200,000 revolving line of credit that expired in December 2023. The line of credit was not renewed. At December 31, 2023 and 2022, there was no amount borrowed against this line.

11. RELATED PARTY TRANSACTIONS

The Organization is an affiliate of the Cancer Support Community (CSC). CSC optimizes patient care by providing essential services including support groups, counseling, education, and healthy lifestyle programs. CSC provides the highest quality emotional and social support through a network of more than fifty local affiliates, one hundred satellite locations and online. The Organization paid \$23,335 and \$30,580 to CSC during the years ended December 31, 2023 and 2022, respectively. The Organization received \$2,750 and \$4,400 from CSC during the years ended December 31, 2023 and 2022, respectively. No balances were due to or from CSC for the years ended December 31, 2023 and 2022.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 10, 2024, which is the date the financial statements were available to be issued.