

Date: May 20, 2021

To: Darryl Mitteldorf, Executive Director

From: Bill Newberry, Associate, YPTC

Re: Fiscal Year 2020 Financial Results

Attached are the following, unaudited financial statements for the fiscal year ended December 31, 2020 for Malecare, Inc.:

- Summary Dashboard
- Statements of Financial Position as of December 31, 2020 & December 31, 2019
- Statements of Activities for the twelve months ended December 31, 2020 & December 31, 2019
- Statement of Cash Flows for the twelve months ended December 31, 2020
- Statement of Functional Expenses for the twelve months ended December 31, 2020
- Statement of Functional Expenses for the twelve months ended December 31, 2019
- Net Asset Roll Forward for the twelve months ended December 31, 2020

Summary:

Even with the challenges from the Covid-19 pandemic, Malecare had a very strong year in 2020. Total revenues of \$333K were 62% higher than the previous year, driven primarily by the highly successful virtual event and the \$160K contract from Amgen for several sponsorship opportunities. The increase in revenue was combined with significant cost savings in conference-related expenses (\$35K) from the shift to virtual as well as the elimination of employee benefit costs (\$19K) that were no longer required. Malecare was also able to terminate their lease with The Yard in September 2020, which resulted in approximately \$6K of savings in rent expense. The total net revenue in 2020 of \$145K was an increase of \$157K over the \$12K loss in 2019. The increase in net revenue led to a much-improved cash position as well; Malecare's ending cash balance of \$219K was \$139K higher than the end of 2019.

Statements of Financial Position

- Cash: Ending cash at 12/31/2020 was \$219K.
- Fixed Assets: Malecare invested \$17K in 2020 for additional development work on the Cancer Graph application; all costs were capitalized.
- Other Assets: The security deposit of \$1,800 with The Yard was partially used to offset final rent expense; the net balance of \$275 was received in October 2020.

Statements of Activities

The net operating gain without restrictions for fiscal 2020 were \$145K, including the release of \$6K of restricted assets.

- Revenue: Total 2020 support was \$110K, down \$21K (-16%) from the prior year. This was more than offset by the \$148K (200%) increase in earned income.
- Expenses: 2020 operating expenses were \$187K, \$30K (14%) lower than 2019. The savings were primarily driven by the move to a virtual conference and the savings in health benefits and rent expense.

Statement of Cash Flows

The net increase in cash during 2020 was \$140K, with all of the gain coming from operating results.

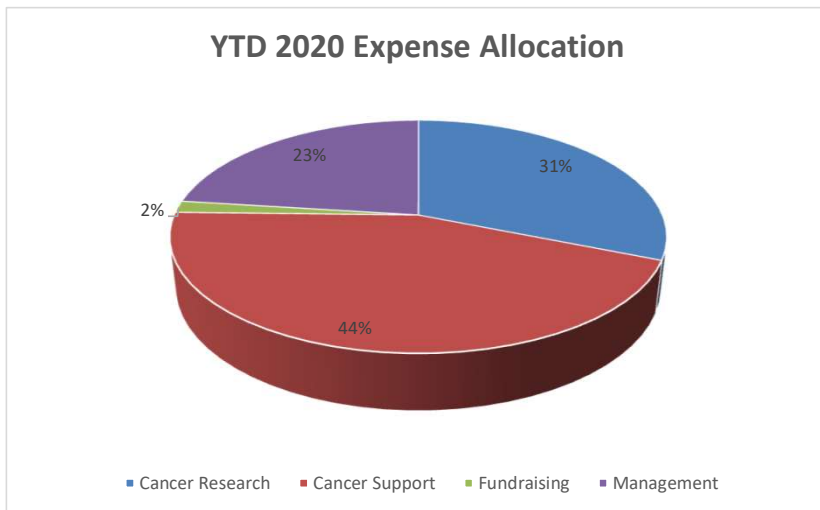
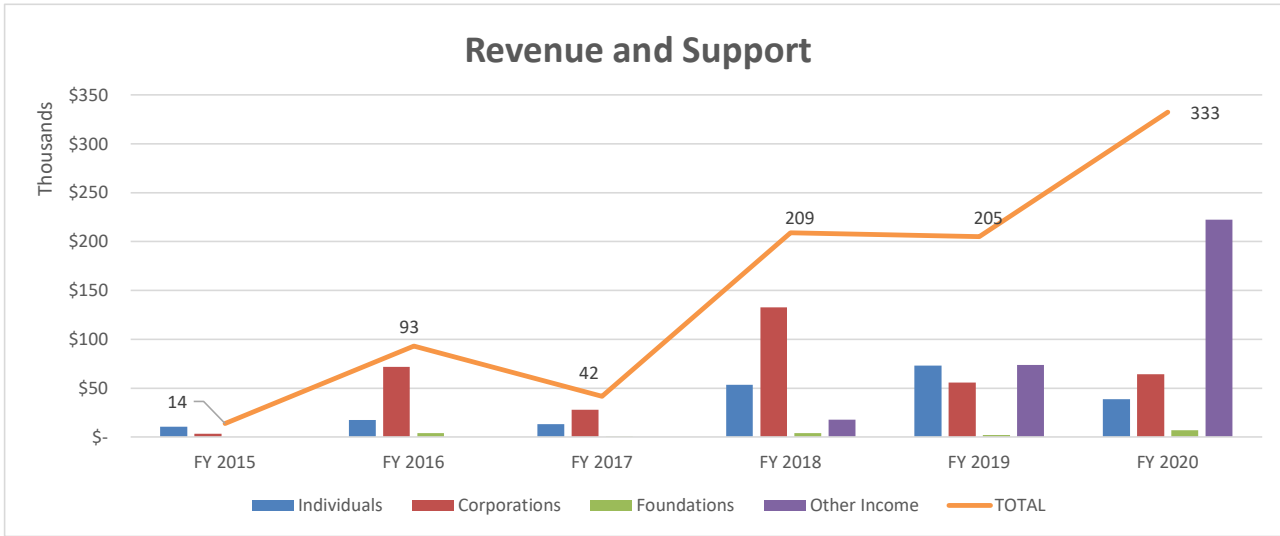
Statement of Functional Expenses

Full year 2020 program expenses accounted for 75% of the total operating costs, with fundraising and administration responsible for the remaining 2% and 23%, respectively. Total salary expenses represented 69% of the overall operating costs.

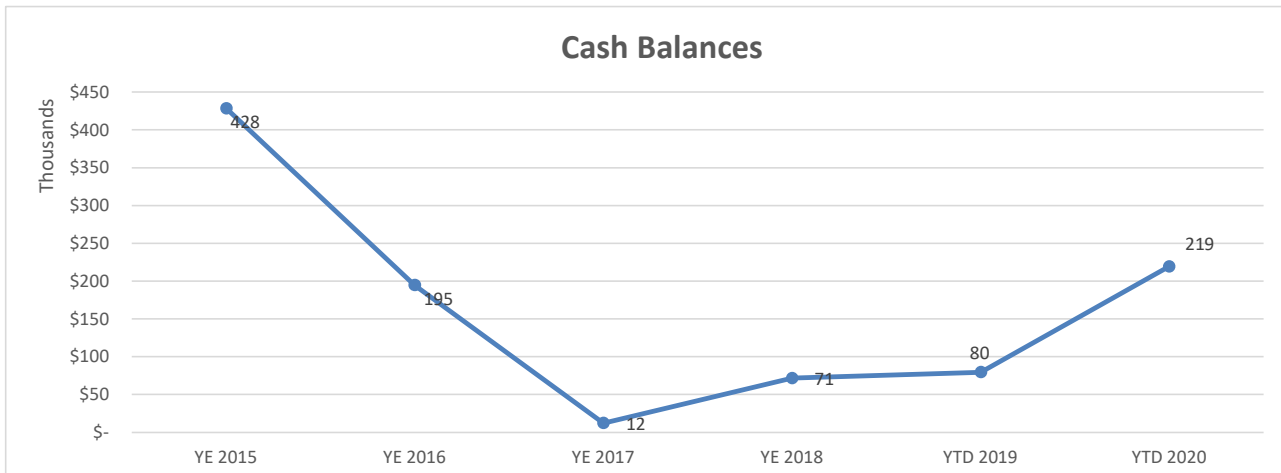
Net Asset Roll Forward

Malecare had total net assets of \$259K as of December 31, 2020. \$6K in time-restricted funds have been released during the 2020 calendar year.

Malecare, Inc
Summary Dashboard
As of December 31, 2020



	YTD 2020	% of Total
Cancer Research	\$ 58,260	31%
Cancer Support	\$ 82,856	44%
Fundraising	\$ 3,039	2%
Management	\$ 43,031	23%
Total	\$ 187,186	100%



Malecare, Inc
Statements of Financial Position
As of December 31, 2020 and December 31, 2019

	Dec-20	Dec-19
Assets		
Current Assets:		
Cash & cash equivalents	219,240	79,665
Accounts receivable	11,301	11,447
Prepaid expenses	220	220
Security deposits	-	1,800
Subtotal, Current Assets	230,761	93,132
Fixed Assets:		
Equipment	2,595	2,595
Less: Accumulated depreciation	(1,802)	(937)
Trademark	1,300	1,300
Mobile App	54,529	37,579
Less: Accumulated amortization	(32,307)	(24,226)
Subtotal, Fixed Assets	24,315	16,310
Total Assets	255,076	109,442
Liabilities & Net Assets		
Current Liabilities:		
Accrued expenses	1,800	1,725
Payroll liabilities	197	-
Subtotal, Current Liabilities	1,997	1,725
Total Liabilities	1,997	1,725
Net Assets:		
Without donor restrictions	253,079	101,977
With donor restrictions	0	5,740
Total Net Assets	253,079	107,717
Total Liabilities and Net Assets	255,076	109,442

Malecare, Inc
Statements of Activities
For the 12 months ended December 31, 2020 and December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	YTD 2020 Total	YTD 2019 Total
Revenue and Support				
Support:				
Individual contributions	38,613	-	38,613	73,184
Corporate contributions	64,423	-	64,423	55,988
Foundation contributions	7,012	-	7,012	1,958
Net asset released from restriction	5,740	(5,740)	-	-
Total Support	<u>115,788</u>	<u>(5,740)</u>	<u>110,048</u>	<u>131,129</u>
Earned Revenue				
Earned income	222,500	-	222,500	73,937
Total Earned Revenue	<u>222,500</u>	<u>-</u>	<u>222,500</u>	<u>73,937</u>
Total Revenue and Support	<u>338,288</u>	<u>(5,740)</u>	<u>332,548</u>	<u>205,067</u>
Expenses				
Program services				
Cancer research	58,260	-	58,260	-
Cancer support	82,856	-	82,856	189,869
Fundraising	3,039	-	3,039	3,080
Management & general admin	43,031	-	43,031	24,183
Total Expenses	<u>187,186</u>	<u>-</u>	<u>187,186</u>	<u>217,132</u>
Net Operating Gain/(Loss)	<u>151,102</u>	<u>(5,740)</u>	<u>145,362</u>	<u>(12,065)</u>
Net Assets, beginning of year	<u>101,977</u>	<u>5,740</u>	<u>107,717</u>	<u>233,122</u>
Net Assets, end of period	<u><u>253,079</u></u>	<u><u>0</u></u>	<u><u>253,079</u></u>	<u><u>221,057</u></u>

Malecare, Inc
Statement of Cash Flows
For the 12 months ended December 31, 2020

	2020
Cash flows from operating activities:	
Change in Net Assets	145,362
Adjustments to reconcile the change in net assets to net cash from operating activities	
Depreciation	8,946
(Increase) Decrease in cash from operating assets and liabilities:	
Decrease in accounts receivable	145
Security and advance deposits	1,800
Increase in accrued expenses	75
Payroll liabilities	197
Net cash flow from operating activities	156,525
Cash flows from investing activities:	
Mobile App	(16,950)
Net cash flow from investing activities	(16,950)
Cash flows from financing activities:	
Net cash flow from financing activities	-
Net increase (decrease) in cash	139,575
Cash, beginning of year	79,665
Cash, end of period	219,240

Malecare, Inc
Statement of Functional Expenses
For the 12 months ended December 31, 2020

	Program Services		Support Services		2020
	Cancer Research	Cancer Support	Fundraising	MG&A	TOTAL
Salaries & expenses	58,260	58,260	2,589	10,357	129,467
Occupancy	-	-	-	11,053	11,053
Insurance	-	-	-	878	878
Consulting	-	-	-	2,096	2,096
Office expenses	-	-	-	4,512	4,512
Travel	-	-	-	55	55
Advertising & promotions	-	70	412	-	481
Website & IT support	-	15,580	38	14,034	29,652
Meals & entertainment	-	-	-	46	46
Depreciation & amortization	-	8,946	-	-	8,946
Total Expenses	58,260	82,856	3,039	43,031	187,186

% of Total Expenses	31%	44%	2%	23%	100%
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Malecare, Inc
Statement of Functional Expenses
For the 12 months ended December 31, 2019

	Program Services	Support Services		2019
	Cancer Support	Fundraising	MG&A	TOTAL
Salaries & expenses	102,263	2,273	9,048	113,583
Occupancy	14,611	324	2,105	17,039
Insurance	-	-	878	878
Consulting	-	-	9,285	9,285
Office expenses	1,320	-	2,379	3,699
Conferences	34,778	-	-	34,778
Travel	59	-	319	378
Advertising & promotions	3,480	484	-	3,964
Website & IT support	24,515	-	112	24,627
Meals & entertainment	462	-	58	520
Depreciation & amortization	8,381	-	-	8,381
Total Expenses	189,869	3,080	24,183	217,132

% of Total Expenses	87%	1%	11%	100%
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Malecare, Inc
Net Asset Roll Forward
For the 12 months ended December 31, 2020

	Dec-19	Additions (Revenue)	Releases (Expenditures)	Dec-20	Notes
Undesignated	101,977	338,288	(181,446)	258,819	
WITHOUT DONOR RESTRICTIONS	\$ 101,977	\$ 338,288	\$ (181,446)	\$ 258,819	
Donor Restrictions Temporary in Nature:					
<i>Purpose Restrictions:</i>					
Foundations				-	
				-	
<i>Time Restrictions:</i>					
Time restricted donations from Corporations	2,250	-	(2,250)	-	
Time restricted donations from Individuals	3,490	-	(3,490)	-	
<i>Subtotal, Time Restrictions</i>	<u>5,740</u>	<u>-</u>	<u>(5,740)</u>	<u>-</u>	
Donor Restrictions Temporary in Nature	5,740	-	(5,740)	-	
				-	
WITH DONOR RESTRICTIONS	\$ 5,740	\$ -	\$ (5,740)	\$ -	
TOTAL NET ASSETS	\$ 107,717	\$ 338,288	\$ (187,186)	\$ 258,819	