

MEMO

TO: Darryl Mitteldorf
FROM: Sally Yu, Your Part-Time Controller, LLC
DATE: July 23, 2018
SUBJECT: **June 2018 Financial Reports for Malecare, Inc**

Attached please find your financial reporting package for the month of June. It includes:

- Dashboard as of June 30, 2018
- Public Support Process Chart for the 6 months ended June 30, 2018
- Statements of Financial Position as of June 30, 2018 and December 31, 2017
- Statements of Activities for the 6 months ended June 30, 2018 and June 30, 2017
- Statement of Cash Flows for the 6 months ended June 30, 2018
- Statement of Functional Expenses for the 6 months ended June 30, 2018 and June 30, 2017
- Rolling Forecast for the year ending 2018
- Net Asset Roll Forward for the 6 months ended June 30, 2018

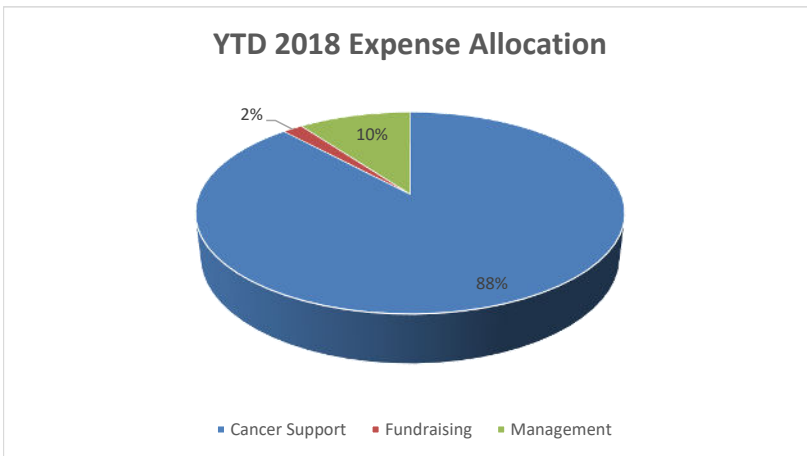
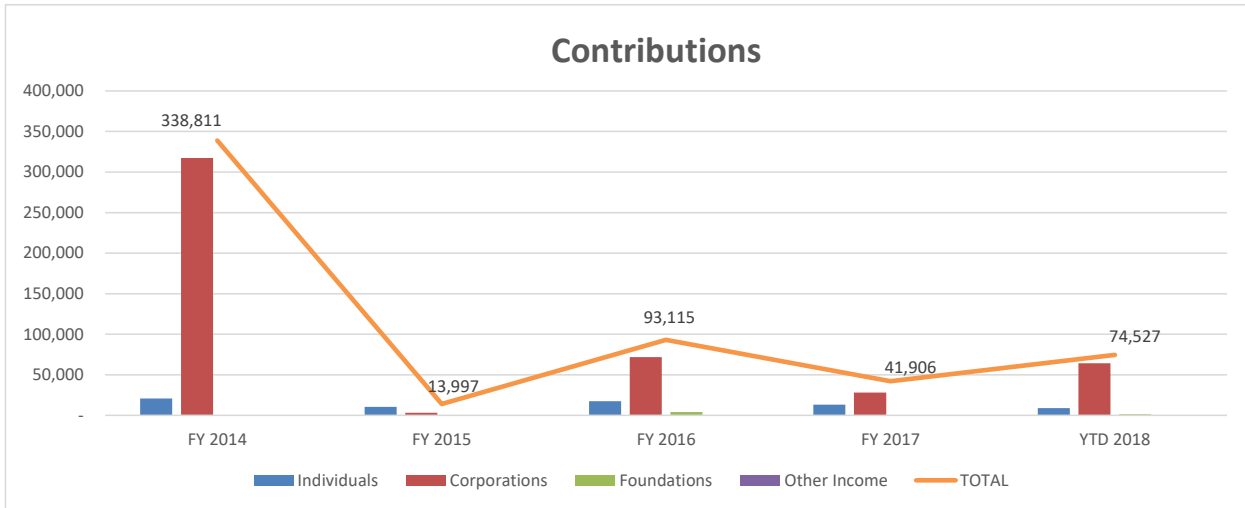
This month's financial highlights:

- Contributions to date were \$74,527. Malecare received \$50,000 grant from Pfizer, Inc in June 2018 to support the 2018 African American Men and Prostate Cancer Project.
- The ending cash balance as of June 30, 2018 was \$13,605 (page 1).
- Public support ratio to date was 41.3% based on the 5-year average, which was slightly higher than the 33.3% IRS minimum requirement (page 2).
- Financial assets available to meet cash needs for general expenditure within one year is \$11,105 and total liabilities were \$78,858 (page 3).

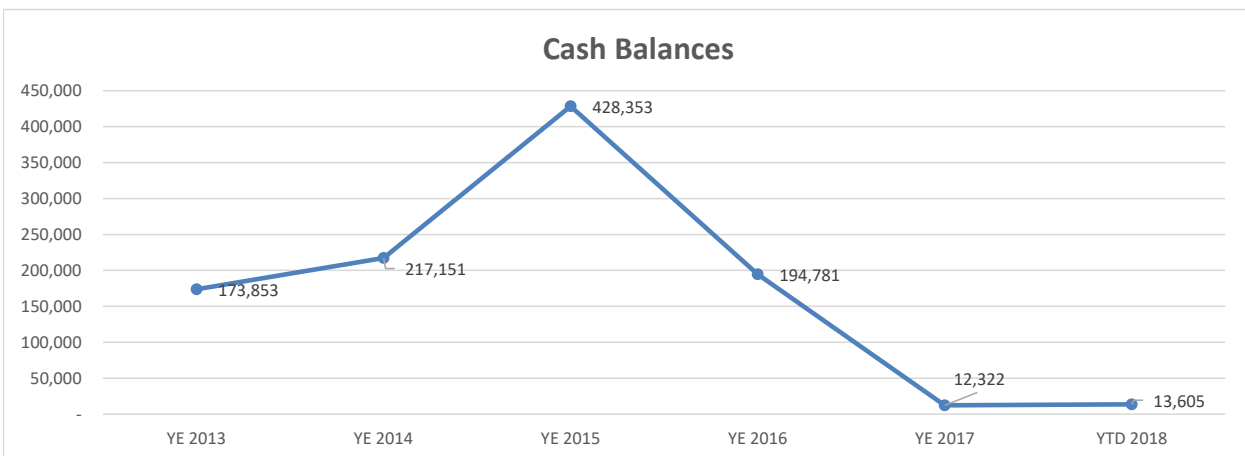
Note: Operating cash is not enough to cover 30 days of normal operating expenses, which are on an average of approximately \$19,000. Malecare owed Darryl Mitteldorf 6 months of wages and approximately \$7,044 health insurance expense reimbursement to date.

- The fiscal year to date net operating loss was (\$91,351) (page 4).
- The fiscal year to date salary expenses contributed 73% of overall operating expenses (page 6).
- Total net assets were \$16,890 as of June 30, 2018. Net asset without donor restrictions was (\$35,610) (page 9). Although we can still operate with a deficit, the auditor may raise the going concerns issue and we can be in serious financial trouble if the situation fails to improve over time.
- **Rolling Forecast (Page 8):**
 - Individual donations: we have met 36% of our budget goal to date. We need to receive an additional \$17,000 in the next two quarters in order to meet the budget goal.
 - Corporation donations: we have met 32% of our budget goal to date. We need to receive an additional \$120,000 in the next two quarters in order to meet the budget goal.
 - Based on our current projections, and if we're able to meet the budgeted revenue goals, then the projected full fiscal year operating loss is (\$4,216), and Malecare's ending cash balance will be \$29,382 if Malecare pays all the wages and expense reimbursement owed to Darryl Mitteldorf by the end of FY2018.
 - Projected full fiscal year operating expenses are approximately \$229,230.

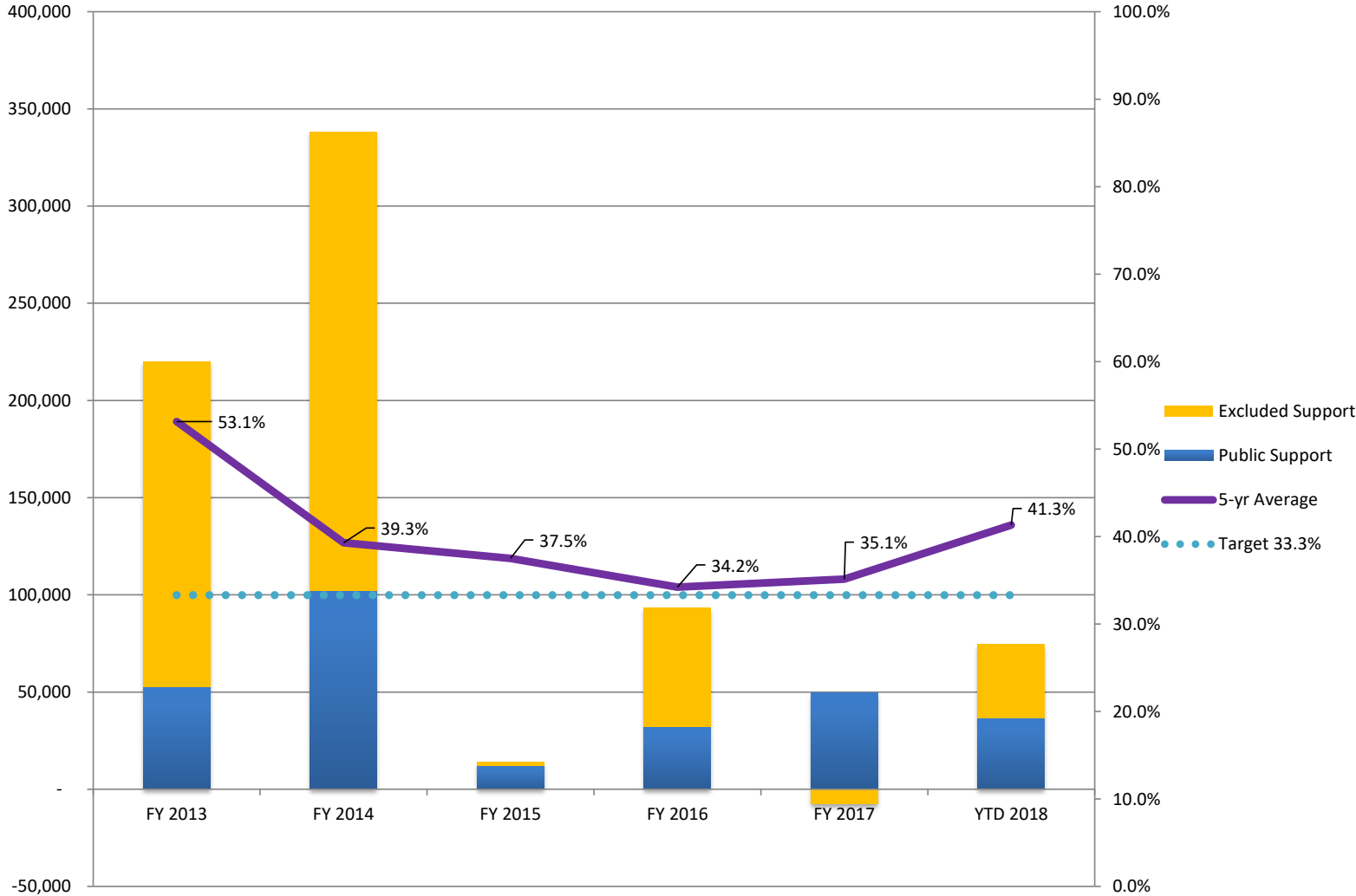
Please feel free to contact me with any questions. I'd be happy to help you present these results at your next finance committee meeting.



	YTD 2018	% of Total
Cancer Support	\$ 102,071	88%
Fundraising	\$ 2,087	2%
Management	\$ 11,719	10%
Total	\$ 115,877	100%



Malecare, Inc
Public Support Progress Chart
 For the 6 months ended June 30, 2018



Malecare, Inc
Statements of Financial Position
As of June 30, 2018 and December 31, 2017

	Jun-18	Dec-17
ASSETS		
Current assets:		
Cash & cash equivalents	13,605	12,322
Accounts receivable	50,000	17,028
Prepaid expenses	659	220
Security deposits	1,800	1,800
Subtotal, Current assets	66,064	31,369
Fixed Assets:		
Trademark	1,300	1,300
Mobile App	37,579	37,579
Less: Accumulated amortization	(9,195)	(9,195)
Subtotal, Fixed Assets	29,684	29,684
Total Assets	95,748	61,053
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accrued expenses	7,044	2,812
Payroll liabilities	71,814	-
Subtotal, Current Liabilities	78,858	2,812
Total Liabilities	78,858	2,812
Net Assets:		
Without Donor Restrictions	(35,610)	58,241
With Donor Restrictions	52,500	-
Total Net Assets	16,890	58,241
Total Liabilities and Net Assets	95,748	61,053

Availability

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

Cash	\$	13,605
Accounts Receivable		50,000
Less contractual or donor-imposed restrictions:		
Restricted by donors with purpose restrictions		(52,500)
Financial assets available to meet cash needs for general expenditure within one year	\$	11,105

Malecare, Inc
Statements of Activities
For the 6 months ended June 30, 2018 and June 30, 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>YTD 2018 Total</u>	<u>YTD 2017 Total</u>
REVENUE, GAINS, AND OTHER SUPPORT				
Support:				
Individual Contributions	8,931	-	8,931	4,160
Corporate Contributions	14,346	50,000	64,346	611
Foundation Contributions	1,250	-	1,250	500
Total Support	<u>24,527</u>	<u>50,000</u>	<u>74,527</u>	<u>5,271</u>
Total Revenues, Gains, and Other Support	<u>24,527</u>	<u>50,000</u>	<u>74,527</u>	<u>5,271</u>
EXPENSES:				
Program services				
Cancer Support	102,071	-	102,071	87,995
Fundraising	2,087	-	2,087	2,021
Management & General Admin	11,719	-	11,719	13,927
Total Expenses	<u>115,877</u>	<u>-</u>	<u>115,877</u>	<u>103,943</u>
Net Operating Gain/(Loss)	<u>(91,351)</u>	<u>50,000</u>	<u>(41,351)</u>	<u>(98,672)</u>
Net Assets, beginning of year	55,741	2,500	58,241	233,122
Net Assets, end of year	<u>(35,610)</u>	<u>52,500</u>	<u>16,890</u>	<u>134,451</u>

Malecare, Inc
Statement of Cash Flows
For the 6 months ended June 30, 2018

	2018
Cash flows from operating activities:	
Change in Net Assets	(41,351)
Adjustments to reconcile the change in net assets to net cash from operating activities	
Increase (decrease) in cash from operating assets and liabilities:	
Accounts receivable	(32,972)
Prepaid expenses	(439)
Accrued expenses	4,231
Payroll liabilities	71,814
Net cash flow from operating activities	1,283
Net increase (decrease) in cash	1,283
Cash, beginning of year	12,322
Cash, end of year	13,605

Malecare, Inc
Statement of Functional Expenses
For the 6 months ended June 30, 2018

	Program Services	Support Services		2018
	Cancer Support	Fundraising	MG&A	TOTAL
Salaries & Expenses	76,057	1,690	6,761	84,508
Occupancy	6,695	147	1,010	7,851
Insurance	-	-	439	439
Consulting	730	-	2,639	3,369
Office Expenses	167	-	759	926
Conferences	575	-	-	575
Meetings	-	-	-	-
Travel	2,150	-	-	2,150
Advertising & Promotions	691	250	-	941
Website & IT Support	15,006	-	112	15,118
Program Supplies & Materials	-	-	-	-
Meals & Entertainment	-	-	-	-
Public relations	-	-	-	-
Depreciation & Amortization	-	-	-	-
Total expenses	102,071	2,087	11,719	115,877

Malecare, Inc
Statement of Functional Expenses
For the 6 months ended June 30, 2017

	Program Services	Support Services		2017
	Cancer Support	Fundraising	MG&A	TOTAL
Salaries & Expenses	66,597	1,480	5,912	73,989
Occupancy	6,480	144	1,125	7,749
Insurance	-	-	878	878
Consulting	-	-	5,250	5,250
Office Expenses	258	-	688	946
Conferences	266	30	-	295
Meetings	-	-	-	-
Travel	2,978	155	-	3,133
Advertising & Promotions	638	213	-	850
Website & IT Support	10,513	-	-	10,513
Program Supplies & Materials	218	-	-	218
Meals & Entertainment	47	-	74	122
Public relations	-	-	-	-
Depreciation & Amortization	-	-	-	-
Total Expenses	87,995	2,021	13,927	103,943

Malecare, Inc
Rolling Forecast
For the year ending 2018

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FY 2018	BUDGET	VARIANCE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
Revenue:													-		
Individual Contributions	4,741	330	1,215	120	1,330	1,195	1,000	1,000	1,000	2,000	2,000	10,000	25,931	25,000	931
Corporate Contributions	346	2,200	-	1,400	400	60,000	10,000	50,000	10,000	10,000	15,000	25,000	184,346	200,000	(15,654)
Foundation Contributions	650	-	-	-	-	600	-	-	-	-	-	-	1,250	-	1,250
Earned Income	-	-	-	-	-	-	13,488	-	-	-	-	-	13,488	-	13,488
In-Kind Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	5,737	2,530	1,215	1,520	1,730	61,795	24,488	51,000	11,000	12,000	17,000	35,000	225,015	225,000	15
Expenses:													-		
Salaries & Expenses	14,085	14,085	14,085	14,085	14,085	14,085	14,085	14,085	14,085	14,085	11,969	10,812	163,629	163,650	(21)
Occupancy	1,270	1,301	1,270	1,271	1,320	1,421	1,422	1,422	1,422	1,422	1,422	1,422	16,383	15,600	783
Insurance	-	-	220	-	-	220	-	-	220	-	-	220	879	880	(1)
Consulting	-	879	1,680	810	-	-	950	-	-	950	-	-	5,269	5,500	(231)
Office Expenses	476	11	107	68	143	120	75	75	75	75	75	75	1,376	1,250	126
Conferences	280	-	-	295	-	-	-	-	-	-	-	-	575	-	575
Meetings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	1,173	-	804	98	75	1,000	-	-	1,000	-	-	4,150	4,000	150
Advertising & Promotions	150	150	150	150	181	160	160	160	160	160	160	160	1,901	1,800	101
Website & IT Support	2,626	3,039	2,816	2,465	2,203	1,969	2,000	2,000	2,000	2,000	2,000	2,000	27,118	25,000	2,118
Program Supplies & Materials	-	-	-	-	-	-	50	-	-	100	-	100	250	250	-
Meals & Entertainment	-	-	-	-	-	-	50	-	-	100	-	50	200	200	-
Public relations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	-	-	-	-	-	-	-	-	-	-	-	7,500	7,500	7,500	-
TOTAL EXPENSES	18,887	20,637	20,328	19,948	18,029	18,049	19,792	17,742	17,962	19,892	15,626	22,339	229,230	225,630	3,600
NET OPERATING GAIN/(LOSS)	(13,151)	(18,107)	(19,113)	(18,428)	(16,299)	43,746	4,696	33,258	(6,962)	(7,892)	1,374	12,661	(4,216)	(630)	(3,586)

CASH FLOW ADJUSTMENTS:														
Depreciation	-	-	-	-	-	-	-	-	-	-	-	7,500	7,500	
Purchase of office equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in Mobile App costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in Trademark costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in security deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in accounts receivable	4,528	2,500	10,000	-	-	(50,000)	-	50,000	-	-	-	-	17,028	
Change in prepaid expense	-	-	220	-	(659)	-	-	-	-	-	-	-	(439)	
Change in payables	-	-	-	810	-	(810)	-	-	-	-	-	-	-	
Change in accrued expense	2,116	-	-	-	-	2,116	-	-	-	-	-	(7,044)	(2,813)	
Change in payroll liabilities	11,969	11,969	11,969	11,969	11,969	11,969	11,969	11,969	11,969	11,969	11,969	(131,659)	(0)	
Net cash flow adjustments	18,613	14,469	22,188	12,779	11,310	(36,725)	11,969	61,969	11,969	11,969	11,969	(131,203)	21,276	
NET CASH FLOW	5,462	(3,638)	3,076	(5,649)	(4,988)	7,021	16,665	95,227	5,007	4,077	13,343	(118,542)	17,060	
Beginning Cash	12,322	17,784	14,145	17,221	11,572	6,584	13,605	30,270	125,497	130,504	134,581	147,924	12,322	
ENDING CASH	17,784	14,145	17,221	11,572	6,584	13,605	30,270	125,497	130,504	134,581	147,924	29,382	29,382	

Malecare, Inc
Net Asset Roll Forward
For the 6 months ended June 30, 2018

	Dec-17	Additions (Revenue)	Releases (Expenditures)	Jun-18	Notes
Undesignated	55,741	24,527	(115,877)	(35,610)	
WITHOUT DONOR RESTRICTIONS	\$ 55,741	\$ 24,527	\$ (115,877)	\$ (35,610)	
<u>Donor Restrictions Temporary in Nature:</u> <i>Purpose Restrictions:</i> Corporations Clovis Oncology Pfizer Inc	2,500	50,000		2,500 50,000	to support the "Building Prostate Cancer Awareness Among Gay and Bisexual Men" to support 2018 African American Men and Prostate Cancer Project
Donor Restrictions Temporary in Nature	2,500	50,000	-	52,500	
				-	
WITH DONOR RESTRICTIONS	\$ 2,500	\$ 50,000	\$ -	\$ 52,500	
TOTAL NET ASSETS	\$ 58,241	\$ 74,527	\$ (115,877)	\$ 16,890	