

Live Like Bella, Inc.
(Not-For-Profit Organization)
Financial Statements
December 31, 2022

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Independent Auditor's Report

To the Board of Directors of
Live Like Bella, Inc.

Opinion

We have audited the accompanying financial statements of Live Like Bella, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Live Like Bella, Inc. as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Live Like Bella, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The 2021 financial statements were reviewed by us, and our report thereon, dated March 14, 2023, stated we were not aware of any material modifications that should be made to those financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

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 Live Like Bella, Inc.'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 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 Live Like Bella, Inc.'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 Live Like Bella, Inc.'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.

ZOMMA Group, LLP

Coral Gables, Florida

November 09, 2023

Live Like Bella, Inc.
(Not-For-Profit Organization)
Statements of Financial Position
December 31,

	Audited	Reviewed
	2022	2021
Assets		
Current assets		
Cash	\$ 66,601	\$ 488,164
Grants and other receivables	1,127,065	909,578
Prepaid expense	20,000	-
Inventory	3,940	3,940
Total current assets	1,217,606	1,401,682
Property and equipment, net	907	1,851
Total assets	\$ 1,218,513	\$ 1,403,533
 Liabilities and net assets		
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ 53,288	\$ 61,361
Line of credit	122,166	150,000
Deferred revenue	905,000	666,667
Paycheck protection program loan	-	56,057
Total current liabilities	1,080,454	934,085
 Net assets		
Without donor restrictions	138,059	469,448
Total liabilities and net assets	\$ 1,218,513	\$ 1,403,533

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

Live Like Bella, Inc.
(Not-For-Profit Organization)
Statements of Activities and Changes in Net Assets
For the Years Ended December 31,

	Without Donor Restrictions	
	Audited	Reviewed
	2022	2021
Public support		
Grants – State	\$ 791,667	\$ 208,333
– Local	510,000	500,000
Private grants	544,001	480,219
Special events (net of direct costs of \$411,796 for 2022 and \$229,668 for 2021)	375,038	352,005
In-kind support	173,186	100,942
Miscellaneous income	194	2,405
	2,394,086	1,643,904
Functional expenses		
Program services	2,271,529	1,021,441
General and support services	289,734	201,102
Fundraising	220,269	152,512
	2,781,532	1,375,055
Excess (deficit) of public support over expenses	(387,446)	268,849
Other changes in net assets		
paycheck protection program forgiveness	56,057	56,000
	(331,389)	324,849
Net changes in net assets		
Net assets – beginning of year	469,448	144,599
Net assets – end of year	\$ 138,059	\$ 469,448

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

Live Like Bella, Inc.
(Not-For-Profit Organization)
Statement of Functional Expenses (Audited)
For the Year Ended December 31, 2022

	Program Expenses			Supporting Services		Total
	In-treatment Support	Memorial Support	Total Program Expenses	Management and General	Fundraising and Development	
Personnel costs						
Salaries	\$ 203,089	\$ -	\$ 203,089	\$ 49,675	\$ 20,774	\$ 273,538
Payroll taxes and fringe benefits	16,996	-	16,996	7,102	1,943	26,041
Total personnel costs	220,085	-	220,085	56,777	22,717	299,579
Other expenses						
In-treatment support	1,710,955	-	1,710,955	-	-	1,710,955
Memorial support	-	340,489	340,489	-	-	340,489
Rent and facility costs	-	-	-	-	2,116	2,116
Food and beverages	-	-	-	-	23,018	23,018
Other direct expenses	-	-	-	-	23,501	23,501
Supplies	-	-	-	3,316	-	3,316
Taxes and licenses	-	-	-	1,817	-	1,817
Contract services	-	-	-	17,653	-	17,653
Professional services	-	-	-	18,900	-	18,900
Office expense	-	-	-	32,371	-	32,371
Meals and entertainment	-	-	-	3,271	459	3,730
Production and design	-	-	-	5,161	16,550	21,711
Advertising and promotion	-	-	-	40,207	3,057	43,264
Depreciation	-	-	-	944	-	944
Information technology	-	-	-	6,673	1,235	7,908
Insurance	-	-	-	15,234	-	15,234
Travel, meetings	-	-	-	18,531	-	18,531
Interest	-	-	-	4,805	-	4,805
Credit card fees	-	-	-	1,196	-	1,196
Simple IRA- employer match	-	-	-	4,882	-	4,882
Dues and subscriptions	-	-	-	4,712	-	4,712
Telephone	-	-	-	7,204	-	7,204
In-Kind	-	-	-	45,570	127,616	173,186
Other	-	-	-	510	-	510
Total functional expenses	\$ 1,931,040	\$ 340,489	\$ 2,271,529	\$ 289,734	\$ 220,269	\$ 2,781,532

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

Live Like Bella, Inc.
Not-For-Profit Organization)
Statement of Functional Expenses (Reviewed)
For the Year Ended December 31, 2021

	Program Expenses			Supporting Services		Total
	In-treatment Support	Memorial Support	Total Program Expenses	Management and General	Fundraising and Development	
Personnel costs						
Salaries	\$ 154,250	\$ -	\$ 154,250	\$ 62,500	\$ 47,750	\$ 264,500
Payroll taxes and fringe benefits	12,340	-	12,340	8,739	3,820	24,899
Total personnel costs	166,590	-	166,590	71,239	51,570	289,399
Other expenses						
In-treatment support	715,709	-	715,709	-	-	715,709
Memorial support	-	133,142	133,142	-	-	133,142
Supplies	-	-	-	36,107	-	36,107
Professional services	6,000	-	6,000	2,400	-	8,400
Office expense	-	-	-	11,337	-	11,337
Meals and entertainment	-	-	-	2,672	-	2,672
Production and design	-	-	-	3,091	-	3,091
Advertising and promotion	-	-	-	10,651	-	10,651
Depreciation	-	-	-	1,432	-	1,432
Employee reimbursements	-	-	-	2,814	-	2,814
Information technology	-	-	-	13,633	-	13,633
Insurance	-	-	-	2,292	-	2,292
Travel, meetings	-	-	-	17,329	-	17,329
Interest	-	-	-	7,775	-	7,775
Credit card fees	-	-	-	1,075	-	1,075
Dues and subscriptions	-	-	-	2,467	-	2,467
Telephone	-	-	-	4,545	-	4,545
In-Kind	-	-	-	-	100,942	100,942
Other	-	-	-	10,243	-	10,243
Total functional expenses	<u>\$ 888,299</u>	<u>\$ 133,142</u>	<u>\$ 1,021,441</u>	<u>\$ 201,102</u>	<u>\$ 152,512</u>	<u>\$ 1,375,055</u>

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

Live Like Bella, Inc.
(Not-For-Profit Organization)
Statements of Cash Flows
For the Years Ended December 31,

	<u>Audited</u> <u>2022</u>	<u>Reviewed</u> <u>2021</u>
Cash flows from operating activities		
Cash received from grants and revenues	\$ 2,003,413	\$ 1,141,904
Cash paid to suppliers and employees	<u>(2,397,142)</u>	<u>(944,423)</u>
Net cash provided by (used in) operating activities	(393,729)	197,481
Cash flows from financing activities		
Payments on line of credit	(27,834)	(150,000)
Proceeds from paycheck protection program	-	56,057
Net cash used in financing activities	<u>(27,834)</u>	<u>(93,943)</u>
Net increase (decrease) in cash and cash equivalents	(421,563)	103,538
Cash and cash equivalents – beginning of year	<u>488,164</u>	<u>384,626</u>
Cash and cash equivalents – end of year	<u>\$ 66,601</u>	<u>\$ 488,164</u>
Reconciliation of net income (loss) to net cash from operating activities		
Change in net assets	\$ (331,389)	\$ 324,849
Add items which do not affect cash		
Depreciation	944	1,432
Forgiveness of PPP loan	(56,057)	(56,000)
Add or (deduct) changes in operating assets and liabilities		
Deferred revenue	238,333	291,667
Grant and other receivables	(217,487)	(401,058)
Prepaid expenses	(20,000)	-
Accounts payable and accrued expenses	(8,073)	36,591
Net cash provided by (used in) operating activities	<u>\$ (393,729)</u>	<u>\$ 197,481</u>

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

Note 1 Organization and Purpose

Live Like Bella, Inc. (the “Organization”) was incorporated in the state of Delaware in 2013 as a not-for-profit organization based in Coral Gables, Florida. The Live Like Bella Childhood Cancer Foundation is committed to being an internationally recognized leader in childhood cancer research and advocacy while providing financial and emotional support to families whose children are battling cancer. The Organization promotes the awareness of childhood cancers and diseases and the need for research and development of medical treatments for children through the dissemination of information to the public throughout the United States of America and in over 30 countries.

Note 2 Summary of Significant Accounting Policies

Basis of Financial Statements Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no such assets as of December 31, 2022, and 2021.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

In preparing the financial statements of the Organization, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the statement of financial position date, and the revenues and expenses for the period then ended. Actual results could differ from those estimates. A description of some of the estimates used in the preparation of the financial statements is included in the following significant accounting policies.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents. There were no such investments as of December 31, 2022 and 2021.

Note 2 Summary of Significant Accounting Policies (continued)

Grant Receivable

The Organization considers the grant receivable to be collectible; accordingly, no allowance for doubtful accounts is required. When amounts are determined to be uncollectible, they are charged to operations.

Property and Equipment

Property and equipment is recorded at cost when purchased or constructed, or at fair market value when donated. Depreciation is included in the statement of activities and is computed on the straight-line basis over the estimated useful life of the assets. The Organization capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Donations of property and equipment are reported as without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Impairment

Long-lived assets are reviewed for impairment when circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying value is impaired, the long-lived assets will be written down to their fair market value with a corresponding charge to earnings. No such impairment was recorded for the years ended December 31, 2022 and 2021.

Revenue Recognition

Grant Revenue

Grant revenues are recognized in the period expenditures are incurred in compliance with the terms of the grant.

Contributions

Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets without donor restrictions. When a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Deferred Revenue

Deferred revenue (contract liability) represents revenues collected but not earned as of December 31, 2022 and 2021. This is primarily composed of revenue for a fundraising event hosted in the incoming year and state and local grants from public support.

Note 2 Summary of Significant Accounting Policies (continued)

Donated Space and Supplies

Donated space and supplies are reflected in the accompanying statements of activities at their fair value. Donated space absent donor restrictions are recorded as net assets without restrictions. (see Note 8).

Functional Allocation of Expenses

The costs of providing various program and supporting activities have been summarized on a functional basis in the statements of activities. 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 those functional areas while indirect costs that benefit multiple functional areas have been allocated among the various functional areas based on the full time employee equivalent.

Measurement of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes

The Organization is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Unrelated business income, of which the Organization had none for the years ended December 31, 2022 and 2021, would be subject to federal income taxes. The Organization's information returns filed with the Internal Revenue Service have not been examined in the past. The Organization is not aware of any uncertainties that could jeopardize its not-for-profit status. Therefore, no provision or liability for income taxes is deemed necessary.

The Organization follows the provisions of uncertain tax provisions addressed by ASC 740-10 *Accounting For Uncertainty in Income Taxes*. The Organization has no uncertain tax positions at December 31, 2022, for which the ultimate deductibility is highly certain but for which there are uncertainty about the timing of such deductibility. The Organization recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expense. The Organization has determined that no amount is required to be accrued for taxes or related penalties and interest for any tax position taken through December 31, 2022.

Note 3 Property and Equipment, net

Property and equipment consist of the following:

	December 31,		Useful Lives (Years)
	2022	2021	
Computer equipment	\$ 14,189	\$ 14,189	5
Website	49,050	49,050	3 to 5
	63,239	63,239	
Less: accumulated depreciation	62,332	61,388	
	\$ 907	\$ 1,851	

Depreciation expense for the years ending December 31, 2022 and 2021 totaled \$944 and \$1,432, respectively.

Note 4 Line of Credit

The Organization has a revolving line of credit totaling \$300,000, due on demand. This agreement is secured by real property and has a variable annual interest rate (7.25% and 3.0% at December 31, 2022 and 2021, respectively). The outstanding balance on this line of credit as of December 31, 2022 and 2021 amounted to \$122,166 and \$150,000, respectively.

Note 5 Paycheck Protection Program

In April 2020, the Organization received loan proceeds in the amount of \$56,000 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“Cares Act”), provides loans to businesses for amounts based on the average monthly payroll expenses of the qualifying business. The Organization used the entire loan amount for qualifying expenses. In March 2021, the loan was forgiven in full and recognized as revenue in the accompanying statement of activities and changes in net assets. In February 2021, the Organization received additional PPP loan proceeds amounting to \$56,057, which are included in the accompanying statement of financial position. During 2022, the loan was forgiven in full and has been recognized as revenue in the statement of activities and changes in net assets.

Note 6 Credit Risk

At times during the year, the Organization’s cash balances were in excess of the federal insured limits of \$250,000. At December 31, 2022 and 2021, the Organization’s uninsured cash balances approximated \$0 and \$238,000, respectively. However, the Organization maintains its cash with a high quality financial institution which the Organization believes limits these risks.

Note 7 Business and Credit Concentration

The Organization's services are substantially paid for by government grants. For the years ended December 31, 2022 and 2021, the Organization's revenues derived from state and local grants approximate 63% and 46% of total revenues and contributions, net of donated services, for each respective year.

Note 8 In-Kind Support

The in-kind support reflected as direct program costs in the accompanying statements of functional expenses include the fair market value of donated supplies and space. The value of donated supplies for the years ended December 31, 2022 and 2021 amounted to \$127,616 and \$55,372, respectively. In addition, they received donated office and parking space with a fair value of approximately \$46,000 for both years.

Note 9 Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by the amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Additionally, as discussed in Note 4, the Organization maintains a \$150,000 line of credit, of which approximately \$28,000 remained available on December 31, 2022.

	2022	2021
Current assets, excluding non-financial assets	\$ 1,193,666	\$ 1,397,742
Less: donor restrictions for specific purposes	-	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,193,666	\$ 1,397,742

Note 10 Subsequent Events

Subsequent events have been evaluated through November 09, 2023, which is the date the financial statements were available to be issued.