

# **The Hope Chest for Breast Cancer Foundation**

Orono, Minnesota

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Financial Statements

Auditor's Report

For the Years Ended

December 31, 2023 and 2022



**CERTIFIED PUBLIC ACCOUNTANTS**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
The Hope Chest for Breast Cancer Foundation  
Orono, Minnesota

### **Opinion**

We have audited the accompanying financial statements of The Hope Chest for Breast Cancer Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 referred to above present fairly, in all material respects, the financial position of The Hope Chest for Breast Cancer Foundation as of December 31, 2023, and the changes in its 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 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 The Hope Chest for Breast Cancer Foundation 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 The Hope Chest for Breast Cancer Foundation'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 The Hope Chest for Breast Cancer Foundation'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 The Hope Chest for Breast Cancer Foundation'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.

## **Report on Summarized Comparative Information**

We have previously audited The Hope Chest for Breast Cancer Foundation 2022 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 1, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Copete Ernst and Audit Ltd.*

Certified Public Accountants

Minneapolis, Minnesota  
October 31, 2024

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2023  
WITH COMPARATIVE TOTALS FOR 2022

EXHIBIT A

ASSETS	2023				2022	
	Without Donor Restrictions		Board Designated	Total	With Donor Restrictions	Total
	Operating					
Current Assets:						
Cash	\$ 303,324	\$ -	\$ -	\$ 303,324	\$ -	\$ 319,793
Accounts Receivable	18,530	-	-	18,530	-	-
Investments	-	701,946	-	701,946	-	490,202
Prepaid Expense	22,600	-	-	22,600	-	33,438
Due From Related Party	13,562	-	-	13,562	-	34,464
Total Current Assets	358,016	701,946	-	1,059,962	-	877,897
Noncurrent Assets:						
Equipment and Improvements - Net	15,675	-	-	15,675	-	30,262
TOTAL ASSETS	\$ 373,691	\$ 701,946	\$ -	\$ 1,075,637	\$ -	\$ 908,159
LIABILITIES AND NET ASSETS						
Current Liabilities:						
Accounts Payable	\$ 43,859	\$ -	\$ -	\$ 43,859	\$ -	\$ 23,856
Accrued Expenses	15,266	-	-	15,266	-	12,633
Total Current Liabilities	59,125	-	-	59,125	-	36,489
TOTAL LIABILITIES	59,125	-	-	59,125	-	36,489
Net Assets	314,566	701,946	-	1,016,512	-	871,670
TOTAL LIABILITIES AND NET ASSETS	\$ 373,691	\$ 701,946	\$ -	\$ 1,075,637	\$ -	\$ 908,159

The accompanying Notes to Financial Statements are an integral part of this statement.

**THE HOPE CHEST FOR BREAST CANCER FOUNDATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**WITH COMPARATIVE TOTALS FOR 2022**

**EXHIBIT B**

	2023			2022		
	Without Donor Restrictions		With Donor Restrictions	Total		Total
	Operating	Board Designated	Total	Restrictions	Total	Total
<b>Support and Revenue:</b>						
Revenues from Sales of Donated Items	\$ 1,052,272	\$ -	\$ 1,052,272	\$ -	\$ 1,052,272	\$ 965,489
Other Contributions of Financial Assets	384,274	-	384,274	7,500	391,774	362,552
Contributions of Nonfinancial Assets	64,280	-	64,280	-	64,280	61,732
Special Events - Net of Expenses	(4,619)	-	(4,619)	-	(4,619)	(41,510)
<b>Net Assets Released from Restrictions:</b>						
Satisfaction of Purpose and Time Restrictions	18,586	-	18,586	(18,586)	-	-
Total Support and Revenue	1,514,793	-	1,514,793	(11,086)	1,503,707	1,348,263
<b>Expense:</b>						
Costs of Selling Donated Items	894,431	-	894,431	-	894,431	820,666
Program Services	287,040	-	287,040	-	287,040	290,917
<b>Support Services:</b>						
Management and General	126,260	-	126,260	-	126,260	65,696
Fundraising	175,368	-	175,368	-	175,368	225,261
Total Support Services	301,628	-	301,628	-	301,628	290,957
Total Expense	1,483,099	-	1,483,099	-	1,483,099	1,402,540
<b>Other Income (Expense):</b>						
Investment Income (Loss)	-	122,717	122,717	-	122,717	(123,540)
Miscellaneous	1,517	-	1,517	-	1,517	1,113
Total Other Income	1,517	122,717	124,234	-	124,234	(122,427)
<b>Other Changes in Net Assets:</b>						
Transfer to (from) Designated Net Assets	(89,027)	89,027	-	-	-	-
Change in Net Assets	(55,816)	211,744	155,928	(11,086)	144,842	(176,704)
Net Assets - Beginning of Year	370,382	490,202	860,584	11,086	871,670	1,048,374
Net Assets - End of Year	\$ 314,566	\$ 701,946	\$ 1,016,512	\$ -	\$ 1,016,512	\$ 871,670

The accompanying Notes to Financial Statements are an integral part of this statement.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2023  
WITH COMPARATIVE TOTALS FOR 2022

	2023						2022	
	Total Program Services	Support Services					Total All Services	Total All Services
		Management & General	Fund- raising	Support Services	Total Support Services	Total All Services		
Wages and Related Expenses	\$ 46,222	\$ 43,275	\$ 94,144	\$ 137,419	\$ 183,641	\$ 189,969	\$ 189,969	
Grant Program Expense	158,650	-	-	-	158,650	196,500	196,500	
Outside Labor	25,682	24,044	46,613	70,657	96,339	75,289	75,289	
Professional Fees	24,703	23,127	44,835	67,962	92,665	88,946	88,946	
Office Expense	8,333	7,802	15,124	22,926	31,259	26,085	26,085	
Events	16,498	-	7,593	7,593	24,091	14,668	14,668	
Store Acquisition Expenses	-	21,503	-	21,503	21,503	-	-	
Office Sharing Expense	1,839	1,722	3,339	5,061	6,900	7,050	7,050	
Insurance	1,224	1,146	2,224	3,370	4,594	4,421	4,421	
Advertising	-	-	4,406	4,406	4,406	23,100	23,100	
Depreciation	3,889	3,641	7,057	10,698	14,587	14,774	14,774	
<b>Total Expenses</b>	<b>\$ 287,040</b>	<b>\$ 126,260</b>	<b>\$ 225,335</b>	<b>\$ 351,595</b>	<b>\$ 638,635</b>	<b>\$ 640,802</b>	<b>\$ 640,802</b>	
Less: Expenses Netted Against Revenues on Statement of Activities:								
Special Event Expenses	-	-	(49,967)	(49,967)	(49,967)	(58,928)	(58,928)	
<b>Net Expenses</b>	<b>\$ 287,040</b>	<b>\$ 126,260</b>	<b>\$ 175,368</b>	<b>\$ 301,628</b>	<b>\$ 588,668</b>	<b>\$ 581,874</b>	<b>\$ 581,874</b>	

The accompanying Notes to Financial Statements  
are an integral part of this statement.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

<u>Increase (Decrease) in Cash</u>	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 144,842	\$ (176,704)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	14,587	14,774
Investment Income Reinvested	-	(4,760)
Realized and Unrealized (Gains) and Losses on Investments	(114,892)	128,300
Loss on Disposal of Equipment	-	1
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(18,530)	16,049
Employee Retention Credit Receivable	-	16,892
Prepaid Expenses	10,838	(19,038)
Due from Related Party	20,902	(5,757)
Accounts Payable	20,003	14,806
Accrued Expenses	2,633	(13,591)
Net Cash Provided (Used) by Operating Activities	<u>80,383</u>	<u>(29,028)</u>
Cash Flows from Investing Activities:		
Purchases of Investments	(163,722)	(24,221)
Proceeds from Sale of Investments	66,870	-
Purchases of Equipment	-	(24,662)
Net Cash (Used) by Investing Activities	<u>(96,852)</u>	<u>(48,883)</u>
Cash Flows from Financing Activities		
None	<u>-</u>	<u>-</u>
Net (Decrease) in Cash	(16,469)	(77,911)
Cash - Beginning of Year	<u>319,793</u>	<u>397,704</u>
Cash - End of Year	<u>\$ 303,324</u>	<u>\$ 319,793</u>

The accompanying Notes to Financial Statements  
are an integral part of these statements.



THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies

Organizational Purpose

The Hope Chest for Breast Cancer Foundation (the Foundation) is a non-profit organization located in Orono, Minnesota. Its mission is to raise funds to provide the quickest access to help with the most urgent needs of financially distressed breast cancer patients and their families in Minnesota. Funds are raised through the sale of upscale women's clothing and high-end furniture and decorative accessories donated by the general public, manufacturers and retail businesses. The donated items are sold in a resale store. Additional support is raised through fundraising events and solicitation of financial contributions from individuals, corporations, and foundations. Support is received in the form of cash and noncash donations.

Contributions of tangible items to the Foundation are sold through a retail store located in Orono, Minnesota which is operated by a corporation controlled by a board member on the Foundation's Board of Directors.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor-imposed restrictions. The Board of Directors may designate the use of certain net assets without donor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. The Foundation reports contributions restricted by donors as increases in net assets 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 accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Investments

Investments consist of mutual funds and unit investment trusts and are stated at quoted market value.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that change in values of the securities may occur in the near term and that such changes could materially affect the amount reported.

Accounts Receivable and Doubtful Accounts

Accounts receivable are generally uncollateralized and the Foundation does not charge interest on accounts receivable balances. The Foundation reviews accounts receivable balances on a periodic basis and writes off delinquent receivables when they are considered uncollectible. The Foundation provides an allowance for doubtful accounts, when appropriate, based on historical experience and management's evaluation of outstanding accounts receivable at the end of each year. No allowance for doubtful accounts has been provided as accounts receivable are considered collectable.

Equipment and Improvements

Equipment is carried at cost if purchased or fair market value at the date of the gift if received as a contribution. Depreciation is computed by the straight-line method using estimated useful lives for software and computers. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

Revenue and Revenue Recognition

The Foundation recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Foundation records contributions of nonfinancial assets at fair market value at date of donation. The Foundation's policy related to contributions of nonfinancial assets is to utilize the assets given to carry out the mission of the Foundation. If an asset is provided that does not allow the Foundation to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist.

Special event revenue is recognized at a point in time when the event takes place and is considered one distinct performance obligation at the time the event occurs.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$4,406 and \$23,100 for the years ended December 31, 2023 and 2022, respectively.

Functional Allocation of Expense

Salaries and related expenses are allocated based on job descriptions and estimates. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting service, are allocated based on the best estimates of management.

Leases

The Foundation determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Foundation does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Income Tax

The Foundation has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and has adopted *Accounting for Uncertainty in Income Taxes*, ASC 740-10. The Foundation's policy is to evaluate uncertain tax positions, at least annually, for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. The Foundation continues to operate consistent with its original exemption application and each year takes the necessary actions to maintain its exempt status. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and charitable contributions by donors are tax deductible. In compliance with its exempt status, the Foundation annually files a Return of Organization Exempt From Income Tax (Form 990).

Reclassifications

Certain amounts in prior year financial statements have been reclassified to conform to the presentation in the current year financial statements.

Subsequent Events

The Foundation has evaluated the effect that subsequent events would have on the financial statements through October 31, 2024, which is the date financial statements were available to be issued.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

2. Concentrations of Credit Risk

The Foundation receives support from individuals and institutions residing primarily in the Minneapolis-St. Paul area. The amounts due as accounts receivable are from local individuals and institutions.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Foundation maintains accounts at financial institutions which are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. Although at times the amount on deposit in these accounts may exceed the federally insured limit, the Foundation has not experienced any losses.

3. Equipment and Improvements

The Foundation owned the following as of:

	<u>December 31,</u>		Estimated Useful Lives
	<u>2023</u>	<u>2022</u>	
Office Equipment	\$ 4,737	\$ 4,737	3-7 years
Leasehold Improvements	10,763	10,763	7 years
Software	<u>42,912</u>	<u>42,912</u>	3 years
	58,412	58,412	
Less: Accumulated Depreciation	<u>42,737</u>	<u>28,150</u>	
	<u>\$ 15,675</u>	<u>\$ 30,262</u>	

Depreciation expense of \$14,587 and \$14,774 was recorded for the years ended December 31, 2023 and 2022, respectively.

4. Investments

The Foundation held the following investments as of:

	<u>December 31,</u>			
	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Mutual Funds	\$ 627,462	\$ 668,874	\$ 521,223	\$ 461,281
Stocks	1,513	1,648	1,513	1,555
Unit Investment Trust	<u>28,265</u>	<u>31,424</u>	<u>28,236</u>	<u>27,366</u>
	<u>\$ 657,240</u>	<u>\$ 701,946</u>	<u>\$ 550,972</u>	<u>\$ 490,202</u>

Investment income was as follows as of:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Interest and Dividends	\$ 7,975	\$ 4,760
Unrealized Gain (Loss)	99,384	(149,208)
Realized Gain (Loss)	<u>15,508</u>	<u>20,908</u>
	<u>\$ 122,717</u>	<u>\$ (123,540)</u>

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

5. Contributions of Nonfinancial Assets

The Foundation records contributions of nonfinancial assets at fair market value at date of donation. Contributions of nonfinancial assets included the following as of:

	December 31,	
	2023	2022
Professional Services	\$ 16,498	\$ 4,975
Materials and Facilities – Special Events	47,782	56,757
	\$ 64,280	\$ 61,732

Contributions of nonfinancial assets were utilized for programming, administration and fundraising during the years ended December 31, 2023 and 2022, and had no donor restrictions. Values were used based on the current market rates the Foundation would have paid for the items if they were not donated.

6. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of amounts for the following purposes as of:

	December 31,	
	2023	2022
Grant Writing	\$ -	\$ 9,971
Communications/Branding	-	1,115
Total	\$ -	\$ 11,086

7. Board Designated Net Assets

The Foundation considers the amounts held in investments as board designated portion of the net assets without donor restrictions. The amount designated specifically as an operating reserve is \$100,000 at both December 31, 2023 and 2022.

8. Related Party Transactions and Balances

The Foundation has a management agreement with a corporation controlled by the Foundation's founder and member of the board of directors. The management agreement requires the corporation to purchase such items of clothing, furniture, household furnishings and accessories that are donated to the Foundation, which meet specified standards. The corporation operates the retail store where the donated property is sold. The management agreement requires the management company to pay the Foundation an amount equal to the sales less reasonable compensation for services provided by the management company. The amount earned by the Foundation may not be less than 15% of donated inventory sales and 5% of purchased inventory sales from the retail store. The amount earned by the Foundation was \$157,841 and \$144,823 in 2023 and 2022, respectively.

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

9. Fair Value

Fair value is defined as the price that an organization would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. Various inputs are used in determining the value of investments. A three-tier hierarchy of inputs is used to establish a classification of fair value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical investments.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – Significant unobservable inputs.

The following is a summary of the inputs used to determine the fair value of the investments at December 31:

	2023			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 668,874	\$ -	\$ -	\$ 668,874
Stocks	1,648	-	-	1,648
Total Investments in FV Hierarchy	670,522	-	-	670,522
Investments Measured at Net Asset Value	-	-	-	31,424
Total Investments at Fair Value	<u>\$ 670,522</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 701,946</u>
	2022			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 461,281	\$ -	\$ -	\$ 461,281
Stocks	1,555	-	-	1,555
Total Investments in FV Hierarchy	462,836	-	-	462,836
Investments Measured at Net Asset Value	-	-	-	27,366
Total Investments at Fair Value	<u>\$ 462,836</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,202</u>

GAAP guidance indicates that investments measured at net asset value as a practical expedient, such as the investment in the unit trust, are excluded from the fair value hierarchy (i.e., Level 1, 2 and 3). However, they are presented above to enable reconciliation with amounts presented on the statement of financial position.

The following table summarizes investments measured at fair value based on NAV per share as of:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2023:				
Unit Investment Trust	\$ 31,424	N/A	Daily	Daily
December 31, 2022:				
Unit Investment Trust	\$ 27,366	N/A	Daily	Daily

THE HOPE CHEST FOR BREAST CANCER FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

10. Special Events

The Foundation conducts special events throughout the year. Details of the special events are as follows for the years ended:

	December 31,	
	2023	2022
Revenues (includes contributions of non-financial assets)	\$ 214,523	\$ 185,793
Expenses	171,360	170,546
	\$ 43,163	\$ 15,247

11. Liquidity and Availability

The following represents the Foundation's financial assets as of:

	December 31,	
	2023	2022
Financial Assets		
Cash	\$ 303,324	\$ 319,793
Accounts Receivable	18,530	-
Investments	701,946	490,202
Due from Related Party	13,562	34,464
Total Financial Assets	1,037,362	844,459
Less amounts not available to be used within one year due to contractual or donor-imposed restrictions	-	(11,086)
Financial assets available for general expenditures within one year	\$ 1,037,362	\$ 833,373

The Foundation regularly monitors the liquidity required to meet its operating needs and program disbursements, with the intent to operate a balanced budget throughout the year and modify expenditures as needed. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments. In the event the need arises to utilize the board-designated operating reserve, the reserve could be drawn upon through board resolution.

12. Subsequent Event

In June 2024 the Foundation purchased both the business of the resale store and the building/property where the resale store is located. The total acquisition price for both transactions was \$1,300,000. The Foundation obtained a note payable for \$960,000 to finance a portion of the purchase. The note payable is due in five years and has an annual interest rate of 6.39%.