

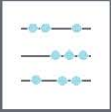
**LIGA CONTRA EL CANCER, INC.
(LEAGUE AGAINST CANCER, INC.)**

**FINANCIAL STATEMENTS &
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Liga Contra El Cancer, Inc.
Miami, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Liga Contra El Cancer, Inc. ("Liga") which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Liga Contra El Cancer, Inc. as of December 31, 2016, 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by *Chapter 10.650, Rules of the Auditor General of the State of Florida*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2017 on our consideration of Liga's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Liga's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
April 25, 2017

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

ASSETS

Cash	\$ 2,371,572
Investments	2,031,488
Grants receivable, no allowance necessary	329,655
Inventory	335,479
Property and equipment, net of accumulated depreciation	<u>1,222,855</u>
TOTAL ASSETS	<u>\$ 6,291,049</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 522,913
Deferred revenue	<u>156,186</u>
TOTAL LIABILITIES	679,099

NET ASSETS

Unrestricted	5,553,516
Temporarily restricted	-
Permanently restricted	<u>58,434</u>
TOTAL NET ASSETS	<u>5,611,950</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,291,049</u>
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The accompanying notes are an integral part of these financial statements.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public Support				
Special events	\$ 3,624,985	\$ -	\$ -	\$ 3,624,985
Donated professional services	3,745,980	-	-	3,745,980
State of Florida Department of Health	1,102,150	-	-	1,102,150
Miami Dade County	127,703	-	-	127,703
Contributions	252,829	-	-	252,829
Other income	263,040	-	-	263,040
Net assets released from restrictions	20,895	(20,895)	-	-
TOTAL PUBLIC SUPPORT	9,137,582	(20,895)	-	9,116,687
Other Income				
Interest and dividends	55,831	-	-	55,831
Investment gain	43,699	-	-	43,699
TOTAL OTHER INCOME	99,530	-	-	99,530
TOTAL PUBLIC SUPPORT AND OTHER INCOME	9,237,112	(20,895)	-	9,216,217
Expenses				
Program services				
Medical services	7,097,808	-	-	7,097,808
Support Activities				
General and administrative	1,068,473	-	-	1,068,473
Fundraising	1,154,918	-	-	1,154,918
TOTAL EXPENSES	9,321,199	-	-	9,321,199
CHANGE IN NET ASSETS	(84,087)	(20,895)	-	(104,982)
Net assets at beginning of year	5,637,603	20,895	58,434	5,716,932
Net assets at end of year	<u>\$ 5,553,516</u>	<u>\$ -</u>	<u>\$ 58,434</u>	<u>\$ 5,611,950</u>

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

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

OPERATING ACTIVITIES

Change in net assets	\$ (104,982)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:	
Depreciation	48,969
Unrealized gain on investments	(43,699)
Decrease (Increase) in operating assets	
Grants receivable	293,101
Mortgage receivable	81,570
Inventory	(71,232)
Increase in operating liabilities	
Accounts payable	22,342
Deferred revenue	(173,541)
	<u>157,510</u>
Net cash provided by operating activities	<u>52,528</u>
 Investing activities	
Change in investment securities	(232,564)
Purchases of property and equipment, net	(33,759)
Net cash used in investing activities	<u>(266,323)</u>
 Net decrease in cash	(213,795)
 Cash at beginning of year	<u>2,585,367</u>
 Cash at end of year	<u><u>\$ 2,371,572</u></u>

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

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Program	Support Activities		Total
	Services Medical	Administration	Fundraising	
Personnel expenses				
Salaries and benefits	\$572,168	\$472,397		\$ 1,044,565
Operating expenses				
Advertising	-	5,740	-	5,740
Auto and travel	-	7,156	-	7,156
Bank charges	-	2,297	-	2,297
Building expenses and waste management	17,680	-	-	17,680
Credit card discount	1,374	-	-	1,374
Depreciation	-	48,969	-	48,969
Donated services and goods	3,745,980	-	-	3,745,980
Insurance	12,567	179,690	-	192,257
Licenses and taxes	-	14,732	-	14,732
Medical and hospitalization costs	2,706,917	-	-	2,706,917
Operating supplies and expenses	-	112,414	-	112,414
Other expenses	109	41,799	-	41,908
Postage and mailing	-	4,943	-	4,943
Printing	14,608	9,854	-	24,462
Professional services	6,670	101,302	-	107,972
Rentals	-	10,782	-	10,782
Repairs and maintenance	-	25,459	-	25,459
Special fund-raising events	-	-	1,154,918	1,154,918
Telephone and communication	-	5,884	-	5,884
Transcribing service	19,735	-	-	19,735
Utilities	-	25,055	-	25,055
	<u>6,525,640</u>	<u>596,076</u>	<u>1,154,918</u>	<u>8,276,634</u>
TOTAL EXPENSES	<u>\$ 7,097,808</u>	<u>\$ 1,068,473</u>	<u>\$ 1,154,918</u>	<u>\$ 9,321,199</u>

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

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Liga Contra El Cancer, Inc. (“Liga”) is a non-profit corporation dedicated to providing free medical care to needy cancer patients.

Financial Statement Presentation

These financial statements are presented in accordance with FASB ASC. Under this interpretation, Liga is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets

These are funds which management or the governing board has discretionary control to use in carrying on the mission of the Liga.

Temporarily Restricted Net Assets

These include funds which are available for future periods as well as funds which are currently available for use but expendable only for grant making purposes specified by the grantor or donor. As of December 31, 2016 there were no temporarily restricted net assets.

Permanently Restricted Net Assets

These are funds that contain a donor-imposed stipulation that neither expire within a certain period of time nor can be fulfilled or otherwise removed by actions of Liga. As of December 31, 2016 there were permanently restricted net assets of \$58,434.

Contributions

Contributions for which donors have not stipulated restrictions, or donor restricted contributions whose restrictions are met in the same accounting period, are reported as unrestricted support.

Contributions of inventory (medicines and other medical supplies) are stated at fair value.

Grants and Contracts Receivable/Deferred Revenues

Grants and Contracts Receivable consist primarily of amounts due from grantors under various grant agreements. Receivables are stated at the estimated net realizable value. No allowance for doubtful accounts was necessary at December 31, 2016. It is the policy of Liga to record all awarded amounts as grants receivable and deferred revenues at the time of the award. Revenues are recognized as earned and deferred revenues are reduced accordingly.

Support

Liga is dependent upon public and governmental support for its operation. The amount and timeliness in which the support from fund raising events and governmental agencies are collected is essential to meet the normal cash flow needs of the organization. Substantially all of Liga’s financial support is provided by the public through various fund raising events held throughout the year, particularly the telethon which generally takes place in June. For the year ended December 31, 2016, Liga received \$127,703 from Miami-Dade County for hospitalization costs. Additionally, for the year ended December 31, 2016, Liga received a grant from the State of Florida Department of Health and Rehabilitative Services for \$1,102,150, for the provision of patient care services. Grant revenue is recognized when earned in accordance with the terms of the grant.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Support (Continued)

The value of donated services has been recorded only for those services for which a clear measurable basis is available. However, a substantial number of other volunteers have donated significant amounts of their time to Liga's program services and special events, including certain officers and directors, all of whom have served without compensation.

Donated professional services provided by doctors to Liga have been recorded in the accompanying statements of activities as donated professional services revenue and medical program services expense. The amount of donated professional services amounted to \$3,745,980 for the year ended December 31, 2016. The value of donated professional services is determined by the actual number of visits at the doctors' standard billing rates. Nonetheless, certain professional services provided by doctors, such as surgical procedures, have not been recorded as donated services as a clear measurable basis of the value of these procedures is not available.

Hospital services provided by a number of local hospitals are offered to Liga at a discount from their standard charges. The cost of medical services is reflected net of discounts.

Cash

Liga considers deposits with banks and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Inventory

Inventory consists of donated and purchased medicines. Liga records these medicines at fair value.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Investments

Investments are carried at fair value based on quoted market prices. Unrealized gains and losses are included in the accompanying statement of activities.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires Liga to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the report period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment and significant improvements thereto are recorded at cost, less accumulated depreciation. Expenditures for repairs and maintenance are charged to expense as incurred. Expenditures for land, buildings and equipment in excess of \$1,000 are capitalized; the fair value of donated property and equipment is capitalized and recorded as contributions. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Income Taxes

Liga is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded.

Liga has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, determine its filing and tax obligations, and to review other matters that may be considered tax positions. Management of Liga believes there are no uncertain tax positions.

The U.S. Federal jurisdiction is the major tax jurisdiction where Liga files income tax returns. Liga is generally no longer subject to U.S. Federal examinations by tax authorities for years before 2013.

Functional Allocation of Expenses

The costs of the Liga’s programs and supporting services have been reported on a functional basis. This requires the allocation of costs among various programs and supporting services based on estimates made by management.

Subsequent Events

Liga has evaluated subsequent events through April 25, 2017, which is the date the financial statements were available to be issued.

NOTE 2 – CONCENTRATION OF CREDIT RISK FOR CASH HELD AT BANKS

Liga maintains cash balances at several financial institutions located in South Florida. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times cash balances may temporarily be in excess of the Federal Deposit Insurance Coverage insurance limit.

NOTE 3 – INVESTMENTS

Investments of \$2,031,488 are comprised of equity securities and fixed income bonds and are stated at fair value as of December 31, 2016.

The following schedule summarizes investment return, for the year ended December 31, 2016, as follows:

Investment gain	\$	43,699
Interest and dividends		55,831
	\$	<u>99,530</u>

NOTE 4 – PROPERTY AND EQUIPMENT, NET

The following schedule summarizes the components of property and equipment and their respective useful lives, as of December 31, 2016, as follows:

	<u>Estimated Useful Lives</u>	
Land		\$ 560,191
Building	30 Years	1,242,821
Furniture, fixtures and equipment	10 Years	195,508
Vehicles	5 Years	28,740
		<u>2,027,260</u>
Less accumulated depreciation		(804,405)
		<u>\$ 1,222,855</u>

As of December 31, 2016 depreciation expense was \$48,969.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5 – COMMITMENTS AND CONTIGENCIES

The costs and unexpended funds reflected in the accompanying financial statements relating to government funds programs are subject to audit by the respective governmental agencies (funding sources). The possible disallowance by the related governmental agencies of any item charged to the program or request for the return of any unexpended funds cannot be determined at this time. No provision, for any liability that may result, has been made in the financial statements.

NOTE 6 – ECONOMIC DEPENDENCE

Liga provides its program services with funds received from State and local governments as well as its annual fundraising events. A reduction in the level of this funding, if this were to occur, may have a significant effect on Liga's programs and activities. Revenues received under contracts with governmental entities represent approximately 12% of Liga's support and revenue, and fundraising efforts represent approximately 40%.

NOTE 7 – RISK AND UNCERTAINTY

Securities and investments are exposed to interest, market and credit risk. These securities and investments may change in value and as such can affect the carrying/fair value of the investments.

NOTE 8 – FAIR VALUE MEASUREMENTS

Liga classified its investments as of December 31, 2016 based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. Liga uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, Liga measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

The three-level valuation hierarchy is established for the measurement and disclosure of fair value. The valuation hierarchy is based upon the transparency of inputs used to measure fair value. The three levels are as follows:

Level 1 – asset value is based on actual quoted prices in active markets for identical securities (mark-to-market).

Level 2 – other significant observable inputs are used to arrive at fair value (including yield, quality, coupon rate, maturity, issue type, quoted prices for similar securities, prepayment speeds, trading characteristics, etc.).

Level 3 – significant unobservable inputs (including management's own assumptions in determining the fair value of investments).

Equity securities

Investments in equity securities are valued at quoted prices of active markets and are classified as Level 1 within the fair value hierarchy.

Fixed income

The fair value of fixed income securities are priced by a computerized pricing service or, for less actively traded issues, by utilizing a yield-based matrix system to arrive at an estimated market value and as such are classified as Level 1 and Level 2 within the fair value hierarchy.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 8 – FAIR VALUE MEASUREMENTS (Continued)

Description	December 31, 2016	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Equity securities	\$ 1,512,067	\$ 1,512,067	\$ -	\$ -
Fixed income	519,421	519,421	-	-
Total investments	<u>\$ 2,031,488</u>	<u>\$ 2,031,488</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 9- ENDOWMENTS

Liga’s endowment consists of a money market investment fund established for a variety of purposes. Its endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The State of Florida enacted the Florida Uniform Prudent Management of Institutional Funds Act (“FUPMIFA”) effective July 1, 2012, the provisions of which apply to endowment funds existing on or established after that date. Liga has interpreted the FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Liga classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by Liga in a manner consistent with the standard of prudence prescribed by FUPMIFA.

In accordance with the FUPMIFA, Liga considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of Liga and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of Liga
- (7) The investment policies of Liga

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 9- ENDOWMENTS (Continued)

For the year ended December 31, 2016, Liga has elected not to add appreciation for cost of living or other spending policies to its permanently restricted endowment for inflation and other economic conditions.

Endowment net asset composition by type of fund as of December 31, 2016 was as follows:

2016	Board			Total
	Designated Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ -	\$ 58,434	\$ 58,434
Endowment- appreciation	-	-	-	-
Total Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,434</u>	<u>\$ 58,434</u>

Changes in endowment net assets for the year ended December 31, 2016 was as follows:

2016	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ -	\$ -	\$ 58,434	\$ 58,434
Investment income	-	-	-	-
Net appreciation (realized and unrealized)	-	-	-	-
Contributions	-	-	-	-
Appropriation of endowment assets for expenditure	-	-	-	-
Releases	-	-	-	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,434</u>	<u>\$ 58,434</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires Liga to retain as a fund of perpetual duration. There were no such deficiencies in the endowment funds as of December 31, 2016.

Return Objectives and Risk Parameters

Liga has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Liga must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are completely invested in a money market fund which assumes a low level of investment risk. Liga expects its endowment funds, over time, to provide a rate of return in excess of corpus. Actual returns in any given year may vary.

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, Liga relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

NOTE 9- ENDOWMENTS (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

Liga has a spending policy for its endowments that balances a realistic achievable rate of return, expenses and its financial objectives. The distribution policy for endowments is reviewed annually as part of the annual budgeting process.

NOTE 10- TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

There were no temporarily restricted net assets as of December 31, 2016. Permanently restricted net assets are donor restricted endowment funds. As of December 31, 2016, permanently restricted net assets amounted to \$58,434.

SUPPLEMENTARY INFORMATION

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2016

State Agency, Pass-through Entity State Project	CSFA No.	Contract Grant No.	Expenditures
STATE AGENCIES			
State of Florida Department of Health	64.048	DEW 95	\$ 526,955
State of Florida Department of Health	64.048	DEW 80	575,195
TOTAL STATE FINANCIAL ASSISTANCE			\$ 1,102,150

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

LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2016

1. **General**

The accompanying schedule of expenditures of state financial assistance presents the activity of all state financial assistance programs of Liga Contra El Cancer, Inc. (“Liga”) for the year ended December 31, 2016. Liga’s reporting entity is described in Note 1 to Liga’s financial statements. State financial assistance expended from state agencies are included on the schedule.

2. **Basis of Accounting**

The accompanying schedule of expenditures of state financial assistance is presented using the accrual basis of accounting, which is described in Note 1 to Liga’s financial statements. The information in this schedule is presented in accordance with the requirements of Chapter 10.650 “Rules of the Auditor General.” Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.



INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Liga Contra El Cancer, Inc.
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Liga Contra El Cancer, Inc. ("Liga"), which comprise the statement of financial position as of December 31, 2016, and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 25, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Liga's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Liga's internal control. Accordingly, we do not express an opinion on the effectiveness of Liga's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Liga's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

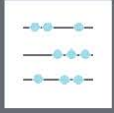
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Liga's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Veedy-DeArmas Turpile". The signature is written in a cursive style.

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
April 25, 2017



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND INTERNAL CONTROL OVER COMPLIANCE THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR STATE FINANCIAL ASSISTANCE PROJECT
IN ACCORDANCE WITH CHAPTER 10.650,
RULES OF THE AUDITOR GENERAL

To the Board of Directors of
Liga Contra El Cancer, Inc.
Miami, Florida

Report on Compliance for Each Major State Program

We have audited Liga Contra El Cancer, Inc's ("Liga") compliance with the types of compliance requirements described in the *Department of Financial Services State Project's Compliance Supplement* that could have a direct and material effect on each of Liga's major state programs for the year ended December 31, 2016. Liga's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Liga's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Those standards and Chapter 10.650, *Rules of the Auditor General of the State of Florida* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Liga's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Liga's compliance.

Opinion on Each Major State Program

In our opinion, Liga Contra El Cancer, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of Liga Contra El Cancer, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Liga's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Liga's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses, or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
April 25, 2017

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
 STATE FINANCIAL ASSISTANCE PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 2016**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

State Financial Assistance

Type of auditor's report issued on compliance for major projects: *Unmodified*

Internal control over major projects:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 "Rules of the Auditor General" yes no

Identification of major projects:

Name of State Project or Cluster	CSFA Number	Expenditures
Florida Department of Health Cancer Treatment	64.048	\$1,102,150
Dollar threshold used to distinguish between type A and type B projects.	\$300,000	
Auditee qualified as low-risk auditee?	N / A	

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR STATE PROJECTS

None

SECTION IV - OTHER ISSUES

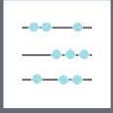
1. A management letter was issued and reported to Management in a separate letter dated April 25, 2017.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs or State projects.
3. No Corrective Action Plan is required because there were no findings required to be reported under the Federal or Florida Single Audit Acts.

LIGA CONTRA EL CANCER, INC.

MANAGEMENT LETTER

DECEMBER 31, 2016

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MANAGEMENT LETTER

The Board of Trustees and Directors
Liga Contra El Cancer, Inc.
Miami, Florida

We have audited the financial statements of Liga Contra El Cancer, Inc. (“Liga”), as of and for the year ended December 31, 2016, and have issued our report thereon dated April 25, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Chapter 10.650, Rules of the Auditor General of the State of Florida*. The objective of our audit was to express an opinion on the fair presentation of these financial statements. We were also engaged to report on internal control related to the financial statements in accordance with *Government Audit Standards* and internal controls related to major programs and opine on compliance in accordance with *Chapter 10.650*.

We have issued our Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor’s Report on Compliance Applicable to each Major State Project and on Internal Control Over Compliance in Accordance with Chapter 10.650, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated April 25, 2017, should be considered in conjunction with this management letter.

In planning and performing our audit of the financial statements of Liga, as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered Liga’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Liga’s internal control. Accordingly, we do not express an opinion on the effectiveness of Liga’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A *management point* is an observation and/or a suggestion regarding Liga's activities that go beyond internal control related matters, such as recommendations for improvements or information about best practices. These observations involve matters that are less severe than a material weakness or a significant deficiency, and consequently are reported separately to Liga in this letter. Auditing standards generally accepted in the United States and *Government Auditing Standards* do not require auditors to communicate *management points*. Our firm's policy requires us to inform you of any *management points* discovered during the audit.

The following summarizes the results of our audit for the year ended December 31, 2016:

Material Weakness	<u> </u> Yes	<u> X </u> No
Management Point Identified	<u> X </u> Yes	<u> </u> No

This communication is intended solely for the information and use of management, Board of Trustees and Directors of Liga, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
April 25, 2017

**LIGA CONTRA EL CANCER, INC.
OBSERVATION AND RECOMMENDATION
FOR THE YEAR ENDED DECEMBER 31, 2016**

CURRENT YEAR FINDINGS

IN-KIND

Observation

During our audit, we noted that in-kind revenues and expenses for the month of January 2016 were overstated due to an erroneously duplicate journal entry.

Recommendation

We recommend that Liga perform a review of their journal entry posting process. In addition, provide support for each journal entry posting with reconciliation to the general ledger. This will minimize the errors that could arise during this process.