

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

FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION, AND  
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2023

## TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT . . . . .	1-3
FINANCIAL STATEMENTS	
Statement of Financial Position . . . . .	4
Statement of Activities . . . . .	5
Statement of Cash Flows . . . . .	6
Statement of Functional Expenses . . . . .	7
Notes to Financial Statements. . . . .	8-15
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of State Financial Assistance . . . . .	16
Notes to the Schedule of Expenditures of State Financial Assistance . . . . .	17
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 <i>Government Auditing Standards</i> . . . . .	18-19
Independent Auditor’s Report on Compliance and on Internal Control over Compliance Required by Chapter 10.650, <i>Rules of the Auditor General</i> . . . . .	20-22
Schedule of Findings and Questioned Costs – State Financial Assistance Projects . . . . .	23-24



Verdeja • Alvarez

Certified Public Accountants & Advisors



Octavio F. Verdeja, Founder - 1971

Manny Alvarez, C.F.F., C.P.A.  
Lisset I. Cascudo, C.P.A.  
Michelle del Sol, C.F.E., C.P.A.  
Cristy C. Rubio, C.P.A.  
Javier Verdeja, C.P.A.  
Octavio A. Verdeja, C.P.A.  
Octavio "Tab" Verdeja, C.F.F., C.P.A.

Armando Aburto, C.P.A.  
Jorge Albeirus, C.P.A.  
Viviana Bruno, C.P.A.  
Pedro L. Silva, C.P.A.  
Michael Vildosola, C.P.A.

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Liga Contra El Cancer, Inc. ("Liga"), (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 present fairly, in all material respects, the financial position of Liga 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 audit in accordance with 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. 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 Liga 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 opinions.

#### *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 Liga'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 and *Government 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 and *Government 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 Liga'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 Liga'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.

## **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 July 23, 2024, on our consideration of the 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 solely 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 the effectiveness of the Liga's 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 the Liga's internal control over financial reporting and compliance.

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
July 23, 2024

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2023**

---

**ASSETS**

Cash	\$ 1,977,369
Investments	1,816,465
Grants and pledges receivables, no allowance necessary	831,006
Inventory	1,676,405
Property and equipment, net of accumulated depreciation	<u>709,812</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 7,011,057</u></u></b>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable and accrued expenses	\$ 644,787
Deferred revenue	<u>103,878</u>
<b>TOTAL LIABILITIES</b>	<b><u>748,665</u></b>

**NET ASSETS**

Without donor restrictions, including board designated of \$104,253	<u>6,262,392</u>
<b>TOTAL NET ASSETS</b>	<b><u><u>6,262,392</u></u></b>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$ 7,011,057</u></u></b>
---	-----------------------------------

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, 2023**

---

	<u>Without Donor Restriction</u>
Public Support	
Special events	\$ 1,965,538
Donated professional services and medicine	7,123,820
State of Florida Department of Health	938,130
Miami Dade County	91,020
Contributions (State of Florida Department of Highway)	33,609
Contributions	491,700
Other income	91,052
TOTAL PUBLIC SUPPORT	<u>10,734,869</u>
Other Income	
Interest and dividends	71,173
Investment loss	152,357
TOTAL OTHER INCOME	<u>223,530</u>
 TOTAL PUBLIC SUPPORT AND OTHER INCOME	 <u>10,958,399</u>
 Expenses	
Program services	
Medical services	10,386,976
Support Activities	
General and administrative	480,831
Fundraising	856,130
TOTAL EXPENSES	<u>11,723,937</u>
 CHANGE IN NET ASSETS	 (765,538)
 Net assets at beginning of year	 7,027,930
 Net assets at end of year	 <u><u>\$ 6,262,392</u></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, 2023**

---

OPERATING ACTIVITIES	
Change in net assets	\$ (765,538)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	58,627
Realized and unrealized gains on investments	(152,357)
(Increase) decrease in operating assets	
Grants and other receivables	(689,371)
Inventory	422,630
Decrease in operating liabilities	
Accounts payable and accrued expenses	(207,421)
Deferred revenue	103,480
	<u>(464,412)</u>
Net cash used in operating activities	<u>(1,229,950)</u>
INVESTING ACTIVITIES	
Change in investment securities	(10,104)
Net cash used in investing activities	<u>(10,104)</u>
Net decrease in cash	(1,240,054)
Cash at beginning of year	<u>3,217,423</u>
Cash at end of year	<u>\$ 1,977,369</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, 2023**

	Program	Support Activities		Total
	Services	General and	Fundraising	
	Medical	Administrative		
	Services			
Personnel expenses				
Salaries and benefits	\$ 1,037,682	\$ -	\$ -	\$ 1,037,682
Operating expenses				
Advertising	-	46,088	-	46,088
Auto and travel	-	6,069	-	6,069
Bank charges	-	2,637	-	2,637
Building expenses and waste management	10,390	-	-	10,390
Depreciation	-	58,627	-	58,627
Donated services and goods	7,123,820	-	-	7,123,820
Insurance	-	187,249	-	187,249
Licenses and taxes	3,456	-	-	3,456
Medical and hospitalization costs	1,908,351	-	-	1,908,351
Operating supplies and expenses	-	124,890	-	124,890
Other expenses	-	54,197	-	54,197
Postage and mailing	-	1,074	-	1,074
Printing	9,614	-	-	9,614
Professional services	128,286	-	-	128,286
Rentals	24,905	-	-	24,905
Repairs and maintenance	78,308	-	-	78,308
Special fund-raising events	-	-	856,130	856,130
Telephone and communication	10,458	-	-	10,458
Transcribing service	24,804	-	-	24,804
Utilities	26,902	-	-	26,902
	9,349,294	480,831	856,130	10,686,255
<b>TOTAL EXPENSES</b>	<b>\$ 10,386,976</b>	<b>\$ 480,831</b>	<b>\$ 856,130</b>	<b>\$ 11,723,937</b>

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, 2023**

---

**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.

**Basis of Accounting**

The financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

**Basis of Accounting and Presentation**

Resources are classified for accounting and reporting purposes into three classes of net assets, according to externally imposed restrictions:

- Net assets without donor restrictions: The portion of the net assets of the Liga that can be used subject only to the broad limits resulting from the nature of the organization, the environment within it operates, and the purposes specified in its articles of incorporation or bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements with suppliers, creditors, and others entered into by the Liga in the course of its business. The Liga has the greatest ability to choose when using these resources. Net assets without donor restrictions generally include contributions that are not subject to donor-imposed restrictions, and income from investing excess operating cash, reduced by expenses incurred in providing services, raising contributions, and performing administrative functions.
- Net assets with donor restrictions: The portion of the net assets of the Liga that is subject to either donor imposed time restrictions or donor-imposed purpose restrictions. These restrictions limit the Liga’s choices when using these resources because the Liga has a fiduciary responsibility to its donors to follow the donor’s instructions. Net assets with donor restrictions generally result from donor-restricted contributions and from the investment return generated by the Liga’s donor-restricted endowment.

**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 net assets without donor restriction. Contributions of inventory (medicines and other medical supplies) are stated at fair value.

**Grants Receivable/Deferred Revenues**

Grants and receivable consist primarily of amounts due from grantors under various grant agreements. Receivables are stated at the estimated net realizable value. No allowance for credit losses was necessary at December 31, 2023. 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. The balance for grant receivables and deferred revenue as of December 31, 2023 were \$318,006 and \$0 respectively. On January 1, 2023 the balance for grant receivables and deferred revenue were \$141,635 and \$398 respectively. Grants receivables are included in the statement of financial position as grants and pledges receivables. See below, Promises to Give.

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

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

**Support**

Liga is dependent upon public and governmental support for its operation. The amount and timeliness in which the support from fundraising events and governmental agencies is 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 fundraising events held throughout the year, particularly the telethon which took place in November. For the year ended December 31, 2023, Liga received \$91,020 from Miami-Dade County for outpatient and medical services costs. For the year ended December 31, 2023, Liga received \$938,130 from the State of Florida Department of Health for the provision of patient care services. For the year ended December 31, 2023, Liga received \$33,609 from the State of Florida Department of Highway Safety and Motor Vehicles as general support. Grant revenue is recognized when earned in accordance with the terms of the grant.

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 \$7,640,456 for the year ended December 31, 2023. 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 medicines purchased at cost and records donated medicines at the average wholesale cost at the time of receiving the gift.

**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. The balance for pledge receivables as of December 31, 2023 were \$513,000. On January 1, 2023 the balance for pledge receivables was \$0. Pledge receivables are included in the statement of financial position as grants and pledges receivables. Subsequent to year-end the full amount of the pledge was collected.

**Investments**

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

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

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

**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.

**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 2020.

**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.

**Gifts-in-Kind**

Liga receives gifts-in-kind, such as prescription drugs and medical supplies for use in treating cancer patients. Gifts-in-kind revenue are recognized in circumstances in which Liga has sufficient discretion over the use and disposition of the times to recognize a contribution in conformity with FASB ASC 958-605-25. Accordingly, the recognition of gifts-in-kind revenue is limited to circumstances in which Liga takes constructive possession of the gifts-in-kind and Liga is the recipient of the gift, rather than an agent or intermediary. Gifts-in-kind received through donations are valued and recorded as revenue at the time other contribution is received. In circumstances in which Liga distributes gifts-in-kind as part of its own programs, it reports an expense, the revenue and the expense related to donated gifts are reported net in the statement of activities.

Although it is Liga's policy to distribute gifts-in-kind as promptly as possible, it may hold some gifts-in-kind at year-end. Undistributed gifts-in-kind at year-end are reported as inventory. Inventory is valued at the lower of cost or fair value. (Cost is determined as fair value at date of gifts plus any cost incurred).

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

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

**Reclassifications**

Certain reclassifications have been made to the financial statement presentation to correspond to the current year's format. Total net assets and changes in net assets are unchanged due to these reclassifications.

**ASU 2016-02**

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842), which among other things, requires the recognition of right-of-use lease assets and lease liabilities on the balance sheet of lessees for operating leases, along with the disclosure of key information about leasing arrangements. A lessee is required to record lease assets and lease liabilities for all leases with a term of greater than 12 months. Leases with a term of 12 months or less will be accounted for in a manner similar to existing guidance for operating leases today. The ASU is not expected to impact the financial statements as the Organization has not operating leases for which it is the lessee. The effective date for this standard has been delayed to fiscal years beginning after December 15, 2021. Liga has adopted ASU 2016-02, in these financial statements.

**ASU No. 2016-13**

During 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments. ASU No. 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. Liga adopted the standard for the year ending December 31, 2023. The adoption of the standard did not have an impact on the Organization financial statements.

**Subsequent Events**

Liga has evaluated subsequent events through July 23, 2024, 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**

The following schedule summarizes investment for the year ended December 31, 2023, as follows:

<u>Description</u>	
Real estate	\$ 76,384
Equity securities	1,114,142
Fixed income	625,939
Total investments	<u>\$ 1,816,465</u>

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

NOTE 3 – INVESTMENTS (Continued)

The following schedule summarizes investment returns for the year ended December 31, 2023, as follows:

Realized and unrealized gains on investments	\$ 152,357
Interest and dividends	71,173
	<u>\$ 223,530</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, 2023, as follows:

	<u>Estimated Useful Lives</u>	
Land		\$ 160,191
Building	30 Years	1,402,439
Furniture, fixtures and equipment	10 Years	264,895
Vehicles	5 Years	30,815
		<u>1,858,340</u>
Less: accumulated depreciation		<u>(1,148,528)</u>
		<u>\$ 709,812</u>

As of December 31, 2023, depreciation expense was \$58,627.

NOTE 5 – INVENTORY

The following schedule summarizes the components of inventory as of December 31, 2023:

	<u>Purchased and In-kind Inventory</u>
Total inventory, beginning of year	\$ 2,099,035
Donations	6,959,841
(Used in) purchased for Liga's program, net	<u>(7,382,471)</u>
Total inventory, end of year	<u>\$ 1,676,405</u>

NOTE 6 – COMMITMENTS AND CONTINGENCIES

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.

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 7 – 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 9% of Liga’s support and revenue, and fundraising efforts represent approximately 91%.

**NOTE 8 – 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 9 – FAIR VALUE MEASUREMENTS**

Liga classified its investments as of December 31, 2023, 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 are 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).

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

Description	December 31, 2023	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)
Real estate	\$ 76,384	\$ 76,384	\$ -	\$ -
Equity securities	1,114,142	1,114,142	-	-
Fixed income	625,939	625,939	-	-
Total investments	\$ 1,816,465	\$ 1,816,465	\$ -	\$ -

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

**NOTE 10- ENDOWMENTS**

Liga’s endowment consists of a money market investment fund established for a purpose. Its endowment includes Board-designated endowment fund. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions; therefore, the endowment funds are classified as follows.

2023	Board-designated (Net Assets Without Donor Restriction)
Endowment net assets, beginning of year	\$ 104,253
Contributions	-
Endowment net assets, end of year	\$ 104,253

**Funds with Deficiencies**

From time to time, the fair value of assets associated with 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, 2023.

**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. 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.

**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).

**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.



**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

**NOTE 11 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Liga monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. Liga has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

Cash	\$ 1,977,369
Investments	1,816,465
Grants and pledges receivables, no allowance necessary	<u>831,006</u>
	4,624,840
Less:	
Board-designated endowment	<u>104,253</u>
	<u>208,131</u>
	<u><u>\$ 4,416,709</u></u>

## SUPPLEMENTARY INFORMATION

**LIGA CONTRA EL CANCER, INC. (LEAGUE AGAINST CANCER, INC.)  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

---

State Agency, Pass-through Entity State Project	CSFA No.	Contract Grant No.	Expenditures
<b>STATE AGENCIES</b>			
State of Florida Department of Health			
Cancer treatment and research	64.048	DEX67 R-2	\$ 363,130
Cancer treatment and research	64.048	DEX67 R-3	575,000
State of Florida Department of Highway Safety and Motor Vehicles			
League Against Cancer Voluntary Contribution	76.122		33,609
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>			<b>\$ 971,739</b>

**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, 2023**

---

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, 2023. 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.



Verdeja • Alvarez

Certified Public Accountants & Advisors



Octavio F. Verdeja, Founder - 1971

Manny Alvarez, C.F.F., C.P.A.  
Lisset I. Cascudo, C.P.A.  
Michelle del Sol, C.F.E., C.P.A.  
Cristy C. Rubio, C.P.A.  
Javier Verdeja, C.P.A.  
Octavio A. Verdeja, C.P.A.  
Octavio "Tab" Verdeja, C.F.F., C.P.A.

Armando Aburto, C.P.A.  
Jorge Albeirus, C.P.A.  
Viviana Bruno, C.P.A.  
Pedro L. Silva, C.P.A.  
Michael Vildosola, C.P.A.

**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***

---

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") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements 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 July 23, 2024.

**Report on 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) 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 the 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 or significant deficiencies may exist that were not identified.

## **Report on 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 financial statements. 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
July 23, 2024



Verdeja • Alvarez

Certified Public Accountants & Advisors



Manny Alvarez, C.F.F., C.P.A.

Lisset I. Cascudo, C.P.A.

Michelle del Sol, C.F.E., C.P.A.

Cristy C. Rubio, C.P.A.

Javier Verdeja, C.P.A.

Octavio A. Verdeja, C.P.A.

Octavio "Tab" Verdeja, C.F.F., C.P.A.

Octavio F. Verdeja, Founder - 1971

Armando Aburto, C.P.A.

Jorge Albeirus, C.P.A.

Viviana Bruno, C.P.A.

Pedro L. Silva, C.P.A.

Michael Vildosola, C.P.A.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY 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 Project**

#### ***Opinion on Each Major State Project 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 Projects Compliance Supplement*, that could have a direct and material effect on each of Liga' major state projects for the year ended December 31, 2023. Liga's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

#### ***Basis for Opinion on Each Major Federal Program and State Project***

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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Liga and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Liga' compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Liga' state projects.

### *Auditor's Responsibility*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Liga's compliance based on our audit. 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, *Government Auditing Standards* and Chapter 10.650, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Liga's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.650, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Liga's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Liga's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Liga's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



## Report on 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 project 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 project 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 project 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.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the 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.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
July 23, 2024

**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, 2023**

---

**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 10.656 "Rules of the Auditor General"  yes  no

Identification of major projects:

<b>Name of State Project or Cluster</b>	<b>CSFA Number</b>	<b>Expenditures</b>
Florida Department of Health Cancer Treatment	64.048	\$938,130
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, 2023**

---

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None

**SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR STATE PROJECTS**

None

**SECTION IV - OTHER ISSUES**

1. No management letter was issued for the year ended December 31, 2023.
2. No *Summary Schedule of Prior Audit Findings* is required because there were no prior audit findings related to State projects.
3. No *Corrective Action Plan* is required because there were no findings required to be reported under the Florida Single Audit Acts.