NATIONAL OVARIAN CANCER COALITION, INC.

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2017
(WITH SUMMARIZED COMPARATIVE INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016)

NATIONAL OVARIAN CANCER COALITION, INC.
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INDEPENDENT AUDITORS' REPORT

To the Board Directors
of National Ovarian Cancer Coalition, Inc.

We have audited the accompanying financial statements of National Ovarian Cancer Coalition, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statement of activities and changes in net assets, statement of functional expenses, and statement of cash flows for the year then ended (the financial statements), 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.

Auditors' 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. 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 auditors' 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Ovarian Cancer Coalition, Inc. as of December 31, 2017, 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.

Report on Summarized Comparative Information

We have previously audited National Ovarian Cancer Coalition, Inc.'s 2016 financial statements, and our report dated September 21, 2017, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Salmon Sims Thomas & Associates
A Professional Limited Liability Company

November 12, 2018

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
(With Summarized Comparative Totals for the Year Ended December 31, 2016)

ASSETS

	2017	2016
Current Assets		
Cash and cash equivalents	$ 1,133,338	$ 1,038,203
Investments	-	331,944
Contributions receivable	20,294	10,100
Inventory	59,327	308,200
Prepaid expenses	30,806	12,388
Total Current Assets	1,243,765	1,700,835
Property and Equipment		
Furniture, fixtures, and equipment	153,026	145,024
Less accumulated depreciation and amortization	(143,057)	(134,809)
Net Property and Equipment	9,969	10,215
Other assets		
Rent and security deposits	13,632	15,482
TOTAL ASSETS	$ 1,267,366	$ 1,726,532

LIABILITIES AND NET ASSETS

	2017	2016
Current Liabilities		
Accounts payable	$ 269,875	$ 75,434
Wages payable	65,587	67,709
Accrued vacation	56,459	52,861
Deferred revenue	6,688	30,982
Total Current Liabilities	398,609	226,986
Net Assets		
Unrestricted	780,257	1,449,546
Temporarily restricted	88,500	50,000
Total Net Assets	868,757	1,499,546
TOTAL LIABILITIES AND NET ASSETS	$ 1,267,366	$ 1,726,532

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

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Comparative Totals for the Year Ended December 31, 2016)

	2017			2016
	Unrestricted	Temporarily Restricted	Total	Total
Revenues and Support				
Awareness events (includes in-kind income of $110,593 in 2017 and $165,516 in 2016)	$ 2,171,729	$ 38,500	$ 2,210,229	$ 2,581,907
Less: cost of direct benefits to participants	(85,927)	-	(85,927)	(118,114)
Individual contributions	601,788	-	601,788	648,938
Corporation contributions	311,157	-	311,157	153,983
Conference revenue	-	-	-	153,470
Special events	146,429	-	146,429	92,951
Less: cost of direct benefits to participants	(23,309)	-	(23,309)	(24,063)
Outside fundraisers	155,900	-	155,900	83,383
Investment income	535	-	535	81
	3,278,302	38,500	3,316,802	3,572,536
Net assets released from restriction	-	-	-	-
Total Revenues and Support	3,278,302	38,500	3,316,802	3,572,536
Expenses				
Program services				
Run/Walk to Break the Silence on Ovarian Cancer	1,581,018	-	1,581,018	1,758,767
Take Early Action and Live (TEAL)	848,727	-	848,727	1,122,241
Faces of Hope	562,910	-	562,910	754,984
Total Program Services	2,992,655	-	2,992,655	3,635,992
Supporting services	454,137	-	454,137	414,841
Fundraising services	500,799	-	500,799	567,987
Total Expenses	3,947,591	-	3,947,591	4,618,820
Increase (Decrease) in Net Assets	(669,289)	38,500	(630,789)	(1,046,284)
Net Assets, beginning of year, restated	1,449,546	50,000	1,499,546	2,545,830
Net Assets, end of year	$ 780,257	$ 88,500	$ 868,757	$ 1,499,546

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

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Comparative Totals for the Year Ended December 31, 2016)

	Program Services							2016
	Run/Walk to Break the Silence on Ovarian Cancer	Take Early Action and Live (TEAL)	Faces of Hope	Total	Supporting	Fundraising	Total	Total
Salaries and wages	$ 669,234	$ 269,442	$ 134,864	$ 1,073,540	$ 149,210	$ 194,315	$ 1,417,065	$ 1,421,995
Employee benefits	64,274	26,017	13,023	103,314	23,390	18,763	145,467	120,862
Payroll taxes	65,428	26,484	13,256	105,168	14,875	19,100	139,143	136,924
Rent and utilities	57,501	88,497	11,650	157,648	13,073	16,786	187,507	179,957
Contract labor	168,542	125,899	19,492	313,933	40,821	27,009	381,763	479,070
Website and internet	2,416	978	489	3,883	549	1,320	5,752	10,177
Advertising and communications	-	-	-	-	-	102,155	102,155	350,341
Maintenance and repair	-	-	-	-	-	-	-	2,758
Postage and shipping	31,715	20,528	10,798	63,041	3,078	7,962	74,081	64,057
Printing and copying	31,194	3,835	17,998	53,027	197	5,404	58,628	57,396
Telecommunications	14,055	29,247	4,985	48,287	3,196	4,203	55,686	55,288
Supplies and materials	20,934	44,038	2,827	67,799	1,844	2,772	72,415	88,892
Permits, licenses, fees	-	-	-	-	-	-	-	35,294
Run Walk event costs	234,646	-	-	234,646	-	-	234,646	230,885
Special events costs	-	-	12,911	12,911	-	1,095	14,006	623
Other meetings and conferences	17,387	54,410	29,998	101,795	3,951	16,436	122,182	279,999
Dues and subscriptions	107,083	60,863	21,676	189,622	29,050	78,974	297,646	94,220
Insurance	14,941	4,891	2,448	22,280	8,392	3,527	34,199	31,702
Research support	-	-	187,500	187,500	-	-	187,500	391,000
Professional fees	-	-	-	-	71,876	-	71,876	86,431
Credit card charges	-	-	-	-	89,873		89,873	156,044
Depreciation	3,352	1,357	679	5,388	762	978	7,128	10,935
Inventory adjustment	78,316	78,316	78,316	234,948	-	-	234,948	317,160
Inventory distribution	-	13,925	-	13,925	-	-	13,925	16,810
	$ 1,581,018	$ 848,727	$ 562,910	$ 2,992,655	$ 454,137	$ 500,799	$ 3,947,591	$ 4,618,820

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

NATIONAL OVARIAN CANCER COALITION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Comparative Totals for the Year Ended December 31, 2016)

	2017	2016
Cash Flows From Operating Activities		
Change in Net Assets	$ (630,789)	$ (1,046,284)
Adjustments to reconcile change in net assets		
to net cash used by operating activities:		
Depreciation	7,128	10,935
Reinvested dividends	479	81
Changes in operating assets and liabilities		
Contributions receivable	(10,194)	(2,359)
Inventory	248,873	333,856
Deposits	1,850	(1,398)
Prepaid expenses	(18,418)	29,345
Accounts payable	194,441	14,624
Vacation payable	3,598	
Wages payable	(2,122)	16,030
Deferred revenue	(24,294)	(64,705)
Net Cash Used by Operating Activities	(229,448)	(709,875)
Cash Flows From Investing Activities		
Purchase of equipment	(8,002)	-
Proceeds from sale of investments	332,585	-
Net Cash Provided by Investing Activities	324,583	-
Net Increase (Decrease) in Cash	95,135	(709,875)
Cash, beginning of year	1,038,203	1,748,078
Cash, end of year	$ 1,133,338	$ 1,038,203

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

NOTE 1: ORGANIZATION

National Ovarian Cancer Coalition, Inc. ("NOCC" or the "Organization") is a nonprofit public benefit corporation. The Organization's mission is to promote education and awareness about ovarian cancer. NOCC is committed to improving the survival rate and quality of life for women with ovarian cancer. The Organization currently provides program services nationwide. It is funded through contributions from the public and private sectors.

Program Structure

Programs and services that promote the Organization's mission consist of the following core areas:

- Take Early Action and Live (TEAL) (formerly Awareness and Education)®
    - Program purpose is to promote education and prevent ovarian cancer
- Run/Walk to Break the Silence on Ovarian Cancer ® (formerly Outreach and Conferences)
    - Program purpose is to raise awareness about ovarian cancer
- Faces of Hope (formerly Survivorship) ®
    - Program purpose is survivorship, quality of life, and research

Programs and services are aimed at the Organization's identified target audiences:

- General public
- Survivors
- Caregivers
- Loved ones
- Healthcare/Corporate

Take Early Action and Live (TEAL) ® Initiative

NOCC's education and awareness programs urging people to TEAL: Take Early Action and Live®. Signature Programs are Health Fairs, Speaker's Bureau, September Awareness, Third-Party Community Fundraising Events, and Chapter Activities as well as the production and distribution of educational literature about ovarian cancer, treatment, and quality of life issues.

Run/Walk to Break the Silence on Ovarian Cancer ®

The Organization's signature event raises awareness of ovarian cancer, honors survivors, and pays tribute to those lost to the disease. The Organization's Run/Walks encompass all parts of its mission and support its nationwide and local activities.

Faces of Hope®

The Organization's survivorship and quality of life program provides current information, hope, and support to women with ovarian cancer, their families and loved ones.

NOTE 1: ORGANIZATION (CONTINUED)

Faces of Hope® (Continued)

The signature program is TEAL Totes/Packets. Chapters receive a list of American College of Surgeons (ACoS) and National Cancer Institute (NCI) accredited facilities within a 50 mile radius of their location based on each facility's annual ovarian cancer caseload. Each Chapter works closely with the Faces of Hope ® Coordinator to build and/or strengthen the relationship with local facilities and arrange for them to distribute the TEAL Totes/Packets to their newly diagnosed ovarian cancer patients. The Faces of Hope ® Coordinator works directly with facilities where there is not a current chapter.

Research in Action Initiative sm

The Organization has affirmed its commitment to funding research with the Research in Action Initiative Alliance sm. In collaboration with Stand Up To Cancer, Ovarian Cancer National Alliance and Ovarian Cancer Resource Fund, NOCC is committed to supporting the new Ovarian Cancer Dream Team, and the promise of leading- edge, ovarian cancer research.

Notable Organization activities during the year ended December 31, 2017 were (Unaudited);

Take Early Action and Live (TEAL) ®

- 149 Health fairs
- 50 Speaker's bureau presentations
- 50 Other community events
- 194,191 pieces of literature and awareness items distributed around the country

Run/Walk to Break the Silence on Ovarian Cancer

- 18 Run/Walks raised awareness
- 1,337 survivors were honored
- 1,409 volunteers supported the cause
- 1,620 teams fought for the cause
- 23,670 participated to "break" silence on ovarian cancer

Faces of Hope®

- 160 Volunteer events/chapter meeting
- 1,018 TEAL Totes distributed to ACoS/NCI accredited facilities to women newly diagnosed with ovarian cancer
- 102 Other community events
- 217 TEAL Packets were provided to women newly diagnosed with ovarian cancer

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (US GAAP) and have been consistently applied in the preparation of the financial statements.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in recording depreciation and the allocation of functional expenses. Actual results could differ from those estimates.

Basis of Presentation

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

> <u>Permanently Restricted Net Assets</u> - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.
>
> <u>Temporarily Restricted Net Assets</u> - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.
>
> <u>Unrestricted Net Assets</u> - Net assets not subject to donor-imposed stipulations. Board designated net assets are considered unrestricted net assets in which the board has internally designated stipulations for purposes of the various programs held.

Revenues are reported as increases in unrestricted net assets unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of temporarily restricted net assets (*i.e.*, the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Basis of Presentation (Continued)
Contributions are recognized as revenues in the period unconditional promises to give are received. Contributions of assets other than cash are recorded at their estimated fair value on the date of donation.

Cash and Cash Equivalents
The Organization considers all highly liquid instruments, including certificates of deposit with an original maturity of ninety days or less, to be cash equivalents. The Organization places cash which, at times, may exceed federally-insured limits with high-credit quality financial institutions. The Organization has not experienced any losses on such assets.

Investments
Investments, which consist of money market funds, are reported at their fair values in the Statement of Financial Position. Increases or decreases in fair value are recorded as unrealized gains and losses and are reflected on the Statement of Activities and Changes in Net Assets along with all realized gains and losses and interest under the caption "Investment Income."

Donated Assets and Services
Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered. The Organization also receives donated services that do not require specific expertise but which are nonetheless central to the Organization's operations.

Tote bag inventory
Inventory consists of donated tote bags received in a prior year but not distributed as of the year end. The donated tote bags are valued based on fair value at December 31, 2017 (See Note 4).

Property and Equipment
Property and equipment are stated at cost, if purchased, or at fair value at the date the equipment was donated. Major expenditures and those which substantially increase useful lives of the assets are capitalized. Maintenance, repairs, and replacements, which do not improve or extend the lives of the respective assets, are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the asset is removed, and any gain or loss is included in operations.

Depreciation has been calculated using the straight-line method based on the estimated useful lives of the assets as follows:

Furniture, fixtures, and equipment	3-10 years

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501 (c)(3) of the IRC. The Organization has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to the Organization qualify for deductions as charitable contributions. However, income generated from activities unrelated to the Organization's exempt purpose is subject to tax under IRC Section 511.

Accounting for Uncertainty in Income Taxes

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the statement of activities or accrued in the statement of financial position. Federal and state tax returns of the entity are generally open to examination by the relevant taxing authorities for a period of three years from the date the returns are filed.

Accrued Vacation

The Organization's employees are entitled to paid vacation depending upon the length of service. Accrued vacation represents vacation earned, but not taken. The accrued vacation balance as of December 31, 2017 and 2016 was $56,459 and $52,861, respectively.

Functional Allocation of Expenses

The costs of providing the various program and other activities have been summarized on a functional basis in the accompanying Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at December 31, 2017 and 2016.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Fair Value Measurements (Continued)
Mutual funds: Mutual funds are valued at the closing price reported in an active market in which the securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The provisions of ASC Topic 820 did not have an impact on the Organization's nonfinancial assets and nonfinancial liabilities that are not permitted or required to be measured at fair value on a recurring basis.

Contribution Receivables and Promise to Give
Contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires or is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

Unconditional promises to give that are due more than one year beyond the statement of financial position date are discounted to a net present value using an estimated discount factor for risk-free borrowing.

Contributions receivable are considered past due when payments are not made under the terms of the contribution agreement. There were no past due contributions receivable at December 31, 2017 and no provision was made for uncollectible receivables as of that date. Contributions receivable are considered uncollectible and written off as uncollectible when the donor withdraws the contribution commitment or fails to provide a reasonable revised schedule of contributions.

Advertising
The Organization's policy is to expense marketing and advertising as the costs are incurred. Marketing and advertising expenses for the years ended December 31, 2017 and 2016 totaled $102,155 and $261,934, respectively.

Date of Management's Review
The Organization has evaluated subsequent events through November 12, 2018, the date the financial statements were available to be issued. See Note 11.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*, which will supersede the current lease requirements in Accounting Standards Codification (ASC) 840. The new standard requires lessees to recognize a right-of-use (ROU) asset and a related lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The new standard is effective for private entities for annual periods beginning after December 15, 2019. The Organization is currently assessing the impact that adoption of ASU 2016-02 will have on its statement of financial position.

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, as an update to ASC 958, Not-for-Profit Entities. This update makes several improvements to current reporting requirements that address complexities in the use of the currently required three classes of net assets and enhance required disclosures related to donor restrictions of net assets. The updated guidance will result in a change in the classes of net assets reported on the face of the statement of financial position from three classes (unrestricted, temporarily restricted, and permanently restricted) to two classes (net assets without donor restrictions and net assets with donor restrictions.

The update also requires all not-for-profit entities to report expenses by function and by natural classification, either on the face of the financial statements or in the footnotes. Additional qualitative information about the methods used to allocate costs is also required to be disclosed. The update also requires all not-for-profit entities to disclose quantitative information that communicates the availability of the Organization's financial assets at the statement of financial position date to meet cash needs for general expenditures within one year as well as qualitative information on how the Organization manages its liquid resources available to meet cash needs for general expenditures within one year of the statement of financial position date.

The updated guidance will be effective for annual periods beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. The new guidance should be applied on a retrospective basis. The Organization will be adopting this update in the fiscal year beginning January 1, 2018. No other material impact is expected.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Recent Accounting Pronouncements (continued)
In November 2016, the FASB issued ASU 2016-18, *Restricted Cash*, as an update to ASC 230, Statement of Cash Flows. This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The updated guidance will be effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. The Organization will be adopting this update in fiscal year beginning January 1, 2019. The new guidance will be applied on a retrospective basis. The updated guidance will result in a change in the statement of cash flow to include restricted cash and restricted cash equivalents. No other material impact is expected.

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, Revenue Recognition. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The statement is effective for annual periods beginning after December 15, 2018. The Organization is in the process of evaluating the potential impact of ASU 2014-09 on its financial statements and it has not yet determined the method by which the standard will be adopted in the fiscal year beginning January 1, 2019.

NOTE 3: INVESTMENTS
Investments at December 31, 2017 and 2016 consisted of the following:

	2017	2016
Mutual funds	$ -	$ 331,944

Investment income for the years ended December 31, 2017 and 2016 are summarized as follows:

	2017	2016
Interest and dividends	$ 8	$ 66
Realized gain	527	15
	$ 535	$ 81

NOTE 4: DONATED TOTE BAGS INVENTORY

Inventory consists of donated tote bags received but not distributed as of December 31, 2017 and 2016. The donated bags were initially valued based on the standard retail price of $37 per bag with ribbon embroidery and $30 per bag without ribbon embroidery. In 2015, it was determined the value of the bags was overstated and inventory was adjusted to fair value of $10 per bag. The remaining inventory valuation was further reduced to $5 and then $1 per bag in 2016 and 2017, respectively due to decreased value and slow distribution. The adjustments for the decrease in fair value were $234,948 and $317,160 in 2017 and 2016, respectively. The inventory balance as of December 31, 2017 and 2016 was $59,327 and $308,200, respectively. NOCC plans to distribute the tote bags during future Awareness events.

NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2017 and 2016 consisted of the following:

	2017	2016
Furniture, fixtures and equipment	$ 153,026	$ 145,024
Accumulated depreciation	(143,057)	(134,809)
Net property and equipment	$ 9,969	$ 10,215

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods as of December 31, 2017 and 2016:

	2017	2016
Research	$ 32,000	$ 30,000
Conferences and webinars	56,500	20,000
	$ 88,500	$ 50,000

Temporarily restricted net assets released from restriction for the years ended December 31, 2017 and 2016 were:

	2017	2016
Research	$ -	$ -
Conferences and webinars	-	125,000
	$ -	$ 125,000

NOTE 7: OPERATING LEASES

Headquarters - Dallas, Texas

In August 2008, the Board approved and moved the Organization's headquarters from Boca Raton, Florida to Dallas, Texas under a five-year office lease agreement at a rate of $4,487 per month for the first year and an increase of 1% to 2% per year thereafter until October 31, 2013. On May 22, 2013, the Organization exercised the option to extend the lease for a term of five years with monthly rent ranging from $4,605 in 2014 to $4,841 in 2019.

Regional Office - Chicago, Illinois

Effective February 1, 2012 and expiring in February 1, 2017, the Organization entered into a five-year office lease agreement at a rate of $1,473 per month for the first year and an increase of 3% per year thereafter. This lease was extended on December 27, 2016 to be effective February 1, 2017 and expiring February 1, 2021 at a rate of $1,503 per month for the first year and an increase of 2.5% per year thereafter.

Regional Office - Pittsburgh, Pennsylvania

Effective May 2015, the Organization renewed its office lease agreement for its Pennsylvania division, at a rate of $647 per month, through December 2017. The lease was not renewed.

Regional Office - Arlington, Massachusetts

Effective September 2007, the Organization entered into an office lease agreement for its Massachusetts division. On November 24, 2014, the Organization exercised the option to renew the lease for three years, starting November 1, 2014 through October 2017, at a rate of $1,450 per month. The lease was not renewed.

Regional Office – Irvine, California

The Organization leases office space with automatic annual renewals. The monthly rate during the year ended December 31, 2017 was $2,080. The lease was not renewed.

Regional Office - New York, New York

The Organization leases office space for a monthly rate of $1,300 which expired on February 28, 2015. If a new lease was not signed, the base rate increased by 10%, as was the case in 2016 and 2017. The lease was not renewed after 2017.

NOTE 7: OPERATING LEASES (Continued)
Future minimum lease payments under the noncancellable leases are approximately as follows:
Year ending December 31,

2018	$	76,547
2019		23,762
2020		19,389
2021		19,879
2022 and Thereafter		-
Total	$	139,577

Rental expense for the years ended December 31, 2017 and 2016 was $174,880 and $174,098, respectively.

NOTE 8: OVARIAN CANCER DREAM TEAM FUNDING CONDITIONAL COMMITMENT
During the year ended December 31, 2014, the Organization entered into a conditional Memorandum of Understanding ("MOU") outlining a desire to jointly fund a dream team dedicated to ovarian cancer research ("Ovarian Cancer Dream Team"). The total funding level of the Ovarian Cancer Dream Team is anticipated to be $6,000,000 over a four-year period. The organizations wishing to jointly fund the Ovarian Cancer Dream Team include NOCC ($1,500,000), Ovarian Cancer National Alliance ($1,500,000) and Ovarian Cancer Research Fund ($3,000,000).

Payments to help fund the Ovarian Cancer Dream Team are contingent upon satisfactory progress and achievement of applicable milestones and deliverables of the Ovarian Cancer Dream Team. The MOU was amended in 2017 to change only the payment schedule. During the years ended December 31, 2017 and 2016, the Organization provided support to the Ovarian Cancer Dream Team in the amounts of $187,500 and $375,000, respectively.

Under the terms of the MOU, NOCC wishes to provide the following funding over a two-year period:

2018	$	281,250
2019		281,250
Total	$	562,500

NOTE 9: RETIREMENT PLAN
The Organization has a 401(k) retirement plan in which the employer matches employee contributions equal to 50% of the first 6% of eligible deferred compensation per pay period after three consecutive months of employment. Employer matching contributions are 100% vested immediately. Employees over age 18 are immediately eligible for the plan. Employer contributions to the employee accounts for the years ended December 31, 2017 and 2016 were $32,872 and $24,036, respectively.

NOTE 10: FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2016 consisted of mutual funds which are level 1 investments. Level 1 investments as valued at quoted prices in active markets for identical assets.

NOTE 11: SUBSEQUENT EVENTS

In September 2018, the Organization entered into a new lease agreement for office space in Dallas, Texas. The new lease commencement date is January 1, 2019. The Organization will lease 3,721 square feet of office space starting with seven months of free rent, then monthly payments of $5,582 escalating to $ 7,287 per month by the end of the term July 31, 2029.