

# PREVENT CANCER FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023



*Certified Public Accountants*

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*Certified Public Accountants*

## **Independent Auditor's Report**

The Board of Directors  
**Prevent Cancer Foundation**

### **Opinion**

We have audited the accompanying financial statements of **Prevent Cancer Foundation** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Prevent Cancer Foundation** as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Prevent Cancer Foundation** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Prevent Cancer Foundation's** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

To the Board of Directors  
**Prevent Cancer Foundation**

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Prevent Cancer Foundation's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Prevent Cancer Foundation's** ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Kositzka, Wicks and Company*

Alexandria, Virginia  
June 18, 2025

# Prevent Cancer Foundation

## Statements of Financial Position December 31,

**2024**
**2023**

### Assets

#### Current assets

Cash and cash equivalents	\$ 2,828,712	\$ 3,321,574
Grants and pledges receivable	106,415	75,574
Investments, general	540,000	573,277
Prepaid expenses	478,346	463,216
	<u>3,953,473</u>	<u>4,433,641</u>

#### Property, equipment, and digital assets, net

	334,388	188,701
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#### Other assets

Investments, donor-restricted and board-designated funds	15,502,884	14,031,911
Operating lease right-of-use asset	1,781,534	1,958,333
Finance lease right-of-use asset	27,786	52,810
Deposits and other assets	42,967	42,967
Interests in remainder trusts	262,080	243,769
Deferred compensation plan assets	64,853	568,309
	<u>17,682,104</u>	<u>16,898,099</u>
Total assets	<u>\$ 21,969,965</u>	<u>\$ 21,520,441</u>

### Liabilities and net assets

#### Current liabilities

Accounts payable and accrued expenses	\$ 224,299	\$ 95,685
Grants payable, current	1,321,750	1,746,772
Refundable advances	94,000	75,000
Operating lease liability, current portion	193,971	181,813
Finance lease liability, current portion	22,810	25,449
	<u>1,856,830</u>	<u>2,124,719</u>

#### Long-term liabilities

Grants payable, net of current portion	1,250,000	700,000
Operating lease obligation, net of current portion	1,900,437	2,094,408
Finance lease obligation, net of current portion	7,352	28,478
Deferred compensation plan liabilities	64,853	568,309
	<u>3,222,642</u>	<u>3,391,195</u>
Total liabilities	<u>5,079,472</u>	<u>5,515,914</u>

#### Net assets

Without donor restrictions	15,083,095	14,097,232
With donor restrictions		
Purpose or time restricted	1,528,985	1,628,882
Perpetual in nature	278,413	278,413
Total net assets	<u>16,890,493</u>	<u>16,004,527</u>
Total liabilities and net assets	<u>\$ 21,969,965</u>	<u>\$ 21,520,441</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

# Prevent Cancer Foundation

## Statement of Activities for the year ended December 31, 2024

	Without donor restrictions	With donor restrictions	Total
<b>Support and revenue</b>			
Contributions	\$ 2,036,511	\$ 482,500	\$ 2,519,011
Bequests	53,842	-	53,842
In-kind contributions	584,888	-	584,888
Special events	4,881,481	-	4,881,481
Less: Cost of direct benefits to donors	(373,218)	-	(373,218)
Other income	3,655	-	3,655
Net assets released from restrictions	740,305	(740,305)	-
	<u>7,927,464</u>	<u>(257,805)</u>	<u>7,669,659</u>
<b>Expenses</b>			
Program services			
Research	957,438	-	957,438
Education and public awareness	3,786,095	-	3,786,095
Community outreach	1,178,245	-	1,178,245
Supporting services			
Management and general	1,011,086	-	1,011,086
Fundraising	1,525,503	-	1,525,503
	<u>8,458,367</u>	<u>-</u>	<u>8,458,367</u>
<b>Change in net assets before investment income</b>	(530,903)	(257,805)	(788,708)
Investment income	1,516,766	157,908	1,674,674
<b>Change in net assets</b>	985,863	(99,897)	885,966
<b>Net assets, beginning of year</b>	14,097,232	1,907,295	16,004,527
<b>Net assets, end of year</b>	<u>\$ 15,083,095</u>	<u>\$ 1,807,398</u>	<u>\$ 16,890,493</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

# Prevent Cancer Foundation

## Statement of Activities for the year ended December 31, 2023

	Without donor restrictions	With donor restrictions	Total
<b>Support and revenue</b>			
Contributions	\$ 1,864,782	\$ 367,380	\$ 2,232,162
Bequests	1,183,585	-	1,183,585
In-kind contributions	680,879	-	680,879
Special events	4,873,674	-	4,873,674
Less: Cost of direct benefits to donors	(327,564)	-	(327,564)
Other income	11,395	-	11,395
Net assets released from restrictions	517,557	(517,557)	-
	<u>8,804,308</u>	<u>(150,177)</u>	<u>8,654,131</u>
<b>Expenses</b>			
Program services			
Research	1,158,376	-	1,158,376
Education and public awareness	4,153,398	-	4,153,398
Community outreach	1,125,010	-	1,125,010
Supporting services			
Management and general	784,852	-	784,852
Fundraising	1,505,616	-	1,505,616
	<u>8,727,252</u>	<u>-</u>	<u>8,727,252</u>
<b>Change in net assets before investment income</b>	77,056	(150,177)	(73,121)
Investment income	<u>1,729,366</u>	<u>199,015</u>	<u>1,928,381</u>
<b>Change in net assets</b>	1,806,422	48,838	1,855,260
<b>Net assets, beginning of year</b>	12,290,810	1,858,457	14,149,267
<b>Net assets, end of year</b>	<u>\$ 14,097,232</u>	<u>\$ 1,907,295</u>	<u>\$ 16,004,527</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

**Prevent Cancer Foundation**

**Statement of Functional Expenses  
for the year ended December 31, 2024**

	Program services				Supporting services			Cost of direct benefits to donors	Total expenses
	Research	Education and public awareness	Community outreach	Total	Management and general	Fundraising	Total		
Accounting and auditing	\$ -	\$ -	\$ -	\$ -	\$ 33,000	\$ -	\$ 33,000	\$ -	\$ 33,000
Advertising and list rentals	1,579	616,516	2,683	620,778	3,046	5,422	8,468	-	629,246
Agency fees	-	30,000	-	30,000	-	-	-	-	30,000
Amortization	3,166	35,656	7,947	46,769	16,885	12,406	29,291	-	76,060
Audio, staging, and entertainment	-	11,957	-	11,957	-	84,987	84,987	8,000	104,944
Bank charges	-	-	-	-	14,024	-	14,024	-	14,024
Catering	3,096	54,842	4,452	62,390	2,264	1,664	3,928	162,391	228,709
Computer services	3,793	64,228	8,674	76,695	20,990	20,155	41,145	-	117,840
Consultant fees	49,400	92,636	1,000	143,036	-	364	364	-	143,400
Credit card discount expense	-	-	-	-	90,072	-	90,072	-	90,072
Delivery and shipping	204	5,271	303	5,778	2,355	7,282	9,637	-	15,415
Depreciation	808	9,105	2,029	11,942	4,312	3,168	7,480	-	19,422
Design and layout	125	18,389	750	19,264	13,000	10,886	23,886	-	43,150
Equipment lease	427	4,812	1,073	6,312	2,279	2,025	4,304	-	10,616
Gifts, contributions, and awards	380	2,110	716	3,206	1,534	1,246	2,780	-	5,986
Grants	713,945	238,514	762,958	1,715,417	-	-	-	-	1,715,417
Honorariums	7,750	-	12,350	20,100	-	-	-	-	20,100
Insurance	10,755	122,190	26,998	159,943	57,366	42,150	99,516	-	259,459
Interest	-	-	-	-	1,327	-	1,327	-	1,327
Legal	-	-	-	-	6,352	-	6,352	-	6,352
Maintenance and storage	67	3,073	168	3,308	6,213	266	6,479	-	9,787
Meals and meetings	193	1,454	36	1,683	653	1,454	2,107	-	3,790
Media services	-	243,207	-	243,207	-	5,697	5,697	-	248,904
Membership dues and subscriptions	23	11,914	3,612	15,549	2,790	1,691	4,481	-	20,030
Payroll taxes and processing	8,371	94,283	21,014	123,668	44,650	32,807	77,457	-	201,125
Printing and supplies	395	17,206	1,931	19,532	7,359	13,587	20,946	-	40,478
Professional services	9,657	77,811	6,733	94,201	8,129	749,902	758,031	-	852,232
Promotional materials	-	7,899	-	7,899	205	6,167	6,372	-	14,271
Rent	10,380	116,915	26,058	153,353	55,368	40,682	96,050	-	249,403
Retirement	4,828	54,387	12,121	71,336	25,756	18,924	44,680	-	116,016
Salaries	102,860	1,158,515	258,212	1,519,587	548,648	403,124	951,772	-	2,471,359
Site rental	-	-	-	-	-	-	-	35,000	35,000
Software and support	12,706	41,084	41	53,831	20,519	30,292	50,811	-	104,642
Taxes, licenses, and registration fees	1,527	6,481	1,198	9,206	6,961	5,434	12,395	-	21,601
Telephone and internet	583	6,566	1,463	8,612	3,108	3,484	6,592	-	15,204
Temporary services	1,825	20,556	4,582	26,963	9,735	7,153	16,888	-	43,851
Training	198	2,229	497	2,924	1,056	2,285	3,341	-	6,265
Travel and transportation	5,847	33,951	8,646	48,444	1,130	10,799	11,929	-	60,373
	954,888	3,203,757	1,178,245	5,336,890	1,011,086	1,525,503	2,536,589	205,391	8,078,870
In-kind contributions									
Media services	-	582,338	-	582,338	-	-	-	-	582,338
Other	2,550	-	-	2,550	-	-	-	-	2,550
Contributions for special events	-	-	-	-	-	-	-	167,827	167,827
<b>Total expenses by function</b>	<b>957,438</b>	<b>3,786,095</b>	<b>1,178,245</b>	<b>5,921,778</b>	<b>1,011,086</b>	<b>1,525,503</b>	<b>2,536,589</b>	<b>373,218</b>	<b>8,831,585</b>
<b>Less expenses included with revenues on the statement of activities</b>									
Cost of direct benefits to donors	-	-	-	-	-	-	-	(373,218)	(373,218)
<b>Total expenses included in the expense section on the statement of activities</b>	<b>\$ 957,438</b>	<b>\$ 3,786,095</b>	<b>\$ 1,178,245</b>	<b>\$ 5,921,778</b>	<b>\$ 1,011,086</b>	<b>\$ 1,525,503</b>	<b>\$ 2,536,589</b>	<b>\$ -</b>	<b>\$ 8,458,367</b>

The accompanying independent auditor's report and notes are an integral part of the financial statements.



**Prevent Cancer Foundation**

**Statement of Functional Expenses  
for the year ended December 31, 2023**

	Program services				Supporting services			Cost of direct benefits to donors	Total expenses
	Research	Education and public awareness	Community outreach	Total	Management and general	Fundraising	Total		
Accounting and auditing	\$ 1,047	\$ 17,315	\$ 1,584	\$ 19,946	\$ 6,251	\$ 5,703	\$ 11,954	\$ -	\$ 31,900
Advertising and list rentals	1,387	693,511	2,183	697,081	1,657	13,028	14,685	-	711,766
Agency fees	-	5,000	-	5,000	-	-	-	-	5,000
Amortization	767	12,692	1,162	14,621	4,582	4,181	8,763	-	23,384
Audio, staging, and entertainment	-	9,212	-	9,212	-	83,672	83,672	8,000	100,884
Bank charges	400	6,614	605	7,619	2,388	2,179	4,567	-	12,186
Catering	1,896	50,036	353	52,285	995	907	1,902	179,539	233,726
Computer services	2,997	61,933	5,138	70,068	24,054	21,672	45,726	-	115,794
Consultant fees	718	25,285	13,542	39,545	178	527	705	-	40,250
Credit card discount expense	2,971	49,159	4,498	56,628	17,747	16,193	33,940	-	90,568
Delivery and shipping	67	4,722	360	5,149	2,131	7,277	9,408	-	14,557
Depreciation	643	10,638	974	12,255	3,840	3,504	7,344	-	19,599
Design and layout	-	25,698	2,333	28,031	16,667	12,147	28,814	-	56,845
Equipment lease	359	5,937	543	6,839	2,143	2,375	4,518	-	11,357
Gifts, contributions, and awards	63	2,417	94	2,574	375	2,053	2,428	-	5,002
Grants	999,903	156,560	899,686	2,056,149	-	-	-	-	2,056,149
Honorariums	6,125	-	8,350	14,475	-	500	500	-	14,975
Insurance	8,189	136,496	12,399	157,084	48,916	44,628	93,544	-	250,628
Interest	66	1,095	100	1,261	395	361	756	-	2,017
Legal	298	4,939	452	5,689	1,783	1,626	3,409	-	9,098
Maintenance and storage	218	5,340	331	5,889	1,305	1,191	2,496	-	8,385
Meals and meetings	166	3,538	49	3,753	122	3,097	3,219	-	6,972
Media services	-	88,557	-	88,557	-	10	10	-	88,567
Membership dues and subscriptions	226	16,083	3,723	20,032	1,348	1,399	2,747	-	22,779
Payroll taxes and processing	6,462	106,912	9,783	123,157	38,597	35,214	73,811	-	196,968
Printing and supplies	113	20,497	2,146	22,756	6,040	13,222	19,262	-	42,018
Professional services	5,334	208,014	786	214,134	2,944	641,032	643,976	-	858,110
Promotional materials	5	2,295	7	2,307	28	3,676	3,704	-	6,011
Rent	8,000	132,361	12,112	152,473	47,783	43,596	91,379	-	243,852
Retirement	4,429	73,271	6,705	84,405	26,451	24,133	50,584	-	134,989
Salaries	81,226	1,343,893	122,977	1,548,096	485,155	442,640	927,795	-	2,475,891
Site rental	100	-	-	100	-	-	-	5,000	5,100
Software and support	12,647	40,051	1,402	54,100	3,275	32,708	35,983	-	90,083
Taxes, licenses, and registration fees	1,609	10,915	849	13,373	3,348	5,424	8,772	-	22,145
Telephone and internet	465	7,735	704	8,904	2,776	2,532	5,308	-	14,212
Temporary services	5,081	84,070	7,693	96,844	30,350	27,690	58,040	-	154,884
Training	53	871	80	1,004	315	287	602	-	1,606
Travel and transportation	4,043	50,506	1,265	55,814	746	4,095	4,841	-	60,655
	<u>1,158,073</u>	<u>3,474,168</u>	<u>1,124,968</u>	<u>5,757,209</u>	<u>784,685</u>	<u>1,504,479</u>	<u>2,289,164</u>	<u>192,539</u>	<u>8,238,912</u>
In-kind contributions									
Media services	-	677,375	-	677,375	-	-	-	-	677,375
Other	303	1,855	42	2,200	167	1,137	1,304	-	3,504
Contributions for special events	-	-	-	-	-	-	-	135,025	135,025
<b>Total expenses by function</b>	<u>1,158,376</u>	<u>4,153,398</u>	<u>1,125,010</u>	<u>6,436,784</u>	<u>784,852</u>	<u>1,505,616</u>	<u>2,290,468</u>	<u>327,564</u>	<u>9,054,816</u>
<b>Less expenses included with revenues on the statement of activities</b>									
Cost of direct benefits to donors	-	-	-	-	-	-	-	(327,564)	(327,564)
<b>Total expenses included in the expense section on the statement of activities</b>	<u>\$ 1,158,376</u>	<u>\$ 4,153,398</u>	<u>\$ 1,125,010</u>	<u>\$ 6,436,784</u>	<u>\$ 784,852</u>	<u>\$ 1,505,616</u>	<u>\$ 2,290,468</u>	<u>\$ -</u>	<u>\$ 8,727,252</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

# Prevent Cancer Foundation

## Statements of Cash Flows for the years ended December 31,

2024

2023

### Cash flows from operating activities

Change in net assets	\$ 885,966	\$ 1,855,260
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	19,422	19,599
Amortization of digital assets	51,100	-
Amortization of finance lease right-of-use asset	24,960	23,384
Change in operating lease obligations	(5,014)	98,952
Realized and unrealized gain on investments and change in value of interest in remainder trusts	(1,163,981)	(1,621,590)
Unrealized gain on deferred compensation plan assets	(5,181)	(89,927)
Unrealized gain on deferred compensation plan liabilities	28,181	134,927
Donated stock	(126,543)	-
Proceeds from sale of donated stock	125,347	-
(Increase) decrease in operating assets		
Grants and pledges receivable	(30,841)	(28,144)
Prepaid expenses	(15,130)	22,042
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	128,614	(29,166)
Grants payable	124,978	558,886
Refundable advances	19,000	(60,000)
Net cash provided by operating activities	<u>60,878</u>	<u>884,223</u>

### Cash flows from investing activities

Purchase of property, equipment, and digital assets	(216,209)	(37,500)
Proceeds from sale of investments	105,060	3,184,052
Purchase of investments and reinvestments	(395,890)	(3,423,878)
Contributions to deferred compensation plan	(23,000)	(45,000)
Net cash used in investing activities	<u>(530,039)</u>	<u>(322,326)</u>

### Cash flows from financing activities

Payments on finance lease	(23,701)	(22,702)
Net cash used in financing activities	<u>(23,701)</u>	<u>(22,702)</u>

### Net change in cash and cash equivalents

### Cash and cash equivalents, beginning of year

### Cash and cash equivalents, end of year

(492,862)	539,195
3,321,574	2,782,379
<u>\$ 2,828,712</u>	<u>\$ 3,321,574</u>

### Supplemental disclosure of cash flow information

Cash paid for interest	\$ 1,327	\$ 2,017
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

The accompanying independent auditor's report and notes are an integral part of the financial statements.

# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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### 1. Organization

Prevent Cancer Foundation (the Foundation) was incorporated in Virginia in 1985 as a non-stock corporation. The Foundation provides support for cancer prevention, research, education and community outreach programs nationwide and plays a pivotal role in developing a body of knowledge that is a basis for important prevention and early detection strategies. The Foundation focuses its resources on those cancers – including breast, cervical, colorectal, liver, lung, oral, prostate, skin, and testicular– that can be prevented through lifestyle changes or screening or detected early through screening and treated.

The Foundation's sources of revenue include contributions, bequests, in-kind contributions and special events.

### 2. Significant accounting policies

#### **Basis of accounting**

The financial statements of the Foundation are prepared using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Use of estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Cash and cash equivalents**

For purposes of the statement of cash flows, the Foundation considers all cash and unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

#### **Grants and pledges receivable**

Grants and pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncertain amounts through a provision for bad debt expense and an adjustment to a valuation allowance. For the years ended December 31, 2024 and 2023, there was no valuation allowance as management has determined grants and pledges receivable to be fully collectible. The entire balance of grants and pledges receivable at December 31, 2024, is expected to be collected in less than one year.

#### **Investments**

Investments are measured at fair value in the statement of financial position based on publicly available market data obtained from services independent of the Foundation. Investment income or loss (including gains and losses on investments, interest, dividends, and investment fees) is included in the statement of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law. Money market and short-term investment funds, held as a portion of the Foundation's investment portfolio, are classified as investments and are not considered to be cash equivalents for purposes of cash flows.

#### **Property and equipment**

Property and equipment are reported at cost. The Foundation capitalizes purchases of multi-year physical assets over \$1,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is included in revenue or expenses. Expenditures for maintenance and repairs are charged to expenses as incurred.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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### **Digital assets**

Digital assets are reported at cost. The Foundation capitalizes costs of website improvements and public service announcements and amortizes them using the straight-line method over the estimated useful lives of the assets, which range from three to four years. Upon the retirement or disposal of assets, the cost and accumulated amortization are eliminated from the respective accounts, and the resulting gain or loss is included in revenue or expenses.

### **Compensated absences**

Employees of the Foundation are entitled to paid vacation depending on job classification, length of service and other factors. For the years ended December 31, 2024 and 2023, estimated compensated absences of \$57,257 and \$72,129, respectively, are included in accounts payable and accrued expenses in the accompanying statements of financial position.

### **Other financial assets and liabilities**

Financial assets with carrying values approximating fair value include cash and cash equivalents, grants and pledges receivable, and prepaid expenses. Financial liabilities with carrying values approximating fair value include accounts payable and accrued expenses, refundable advances, and grants payable. The carrying value of these financial assets and liabilities approximates fair value due to their short maturities and any associated interest rates approximate current market rates.

### **Donor restrictions**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported in two categories as described below.

Net assets without donor restrictions are net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment fund.

Net assets with donor restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### **Support and revenue**

Contributions received and unconditional promises to give are recorded as net assets, with or without donor restrictions, depending on the existence and/or nature of donor-imposed restrictions. The Foundation reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without restrictions.

Refundable advances consist of contributions received that are conditional upon the occurrence of a specific event. For the years ended December 31, 2024 and 2023, refundable advances for the Gala special event consisted of \$94,000 and \$75,000, respectively. The Gala is held in the fall, at which time conditions will be met and revenue will be recognized.

# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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Sources of revenue from contracts with customers include an exchange element of tickets purchased for the Foundation's special events. All sources of revenue from contracts with customers are recognized at the point in time when the event occurs. For the years ended December 31, 2024 and 2023, the total exchange portions of tickets for the special events were \$140,525 and \$160,545, respectively. There were no performance obligations or contract liabilities as of the beginning or the end the years ended December 31, 2024, 2023, and 2022.

### **In-kind goods and services**

Contributed nonfinancial assets include donated professional services, donated materials, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 6). In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services and special events; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

### **Interests in remainder trusts**

The Foundation has been named as beneficiary under split-interest agreements, which are charitable remainder trusts. Irrevocable split-interest agreements are recorded as revenue when the trust agreements are executed. Revenue from the split-interest agreements is based on the fair value of the expected cash flows to be received by the Foundation. The change in value of interests in remainder trusts was \$18,311 and \$14,756 for the years ended December 31, 2024 and 2023, respectively.

### **Advertising costs**

Advertising costs are expensed as incurred.

### **Concentrations of credit and market risk**

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash equivalents and investments.

At period-end and throughout the period, the Foundation's cash balances may exceed federally insured limits. Cash and cash equivalents are maintained at high-quality financial institutions. The Foundation has not experienced any losses on its cash equivalents and management does not believe this will result in any significant credit risk. FDIC insurance on interest-bearing accounts is \$250,000 per depositor, per insured bank. At December 31, 2024 and 2023, the Foundation's cash balances exceeded FDIC limits by approximately \$2,568,329 and \$3,569,035, respectively.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect amounts reported in future statements of activities. Management believes that the Foundation's investments do not represent significant concentrations of market risk as the Foundation's investment portfolio is adequately diversified among issuers.

### **Income taxes**

The Foundation is exempt from federal income tax as a non-profit organization described in Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation. The Organization did not have a liability for unrelated business income for the years ended December 31, 2024 and 2023.

The material jurisdictions subject to potential examination by taxing authorities include the U.S. and Virginia. The Foundation has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years that remain subject to examination by the IRS are tax years 2020 through 2024.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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### Lease arrangements

The Foundation determines if an arrangement is a lease at inception. Lease right-of-use (ROU) assets are included within the Foundation's other assets and lease liabilities are included in current and long-term liabilities on the Foundation's statements of financial position. ROU assets represent the Foundation's right to use, or control the use of, a specified asset for the lease term. Lease liabilities are the Foundation's obligation to make lease payments arising from a lease and are measured on a discounted basis. Lease ROU assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term on the commencement date.

As most of the Foundation's leases do not provide an implicit rate, the risk-free rate was used based on the information available on the commencement date in determining the present value of lease payments. The lease ROU assets include any lease payments made and initial direct costs incurred and exclude lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

### Reclassifications

In preparing the financial statements, certain prior year amounts have been reclassified to conform to the current year presentation. There were no changes to previously reported total net assets or change in net assets associated with the reclassifications.

### 3. Investments

Investments, at fair value, consisted of the following at December 31:

	<u>2024</u>	<u>2023</u>
Cash and money market funds	\$ 1,344,775	\$ 1,295,080
Fixed income	3,519,779	2,780,848
Equities	10,667,054	9,960,370
Mutual funds	576,129	1,137,199
Fair value per statement of financial position	<u>\$ 16,107,737</u>	<u>\$ 15,173,497</u>

Investment income consisted of the following for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Realized and unrealized loss and change in value of interest in remainder trusts	\$ 1,163,981	\$ 1,621,590
Interest and dividend income	555,233	353,616
Investment fees	(44,540)	(46,825)
	<u>\$ 1,674,674</u>	<u>\$ 1,928,381</u>

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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### 4. Property, equipment, and digital assets

Property, equipment, and digital assets consisted of the following at December 31:

	2024	2023
Office furniture and equipment	\$ 187,691	\$ 233,001
Public service announcements	175,000	37,500
Website	75,820	-
	<u>438,511</u>	<u>270,501</u>
Less: accumulated depreciation and amortization	(104,123)	(81,800)
	<u>\$ 334,388</u>	<u>\$ 188,701</u>

Depreciation and amortization expense for the years ended December 31, 2024 and 2023, not including amortization of finance lease right-of-use assets, is \$70,522 and \$19,599, respectively.

### 5. Grants awarded

The Foundation recognized grants expense for the years ended December 31, 2024 and 2023, of \$1,715,417 and \$2,056,149, respectively. Adjustments to reflect differences between award amounts and actual payments are made in the year the final payment is made. Grants awarded but not yet paid total \$2,571,750 and \$2,446,772 at December 31, 2024 and 2023, respectively. No discount has been recorded on grants payable due in more than one year because it is not considered to be material.

### 6. In-kind contributions

The Foundation receives in-kind contributions of time and pro bono services from members of the community and volunteers related to program services and special events. The Foundation recognizes the market value of donated services as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Donated goods are recorded at fair value at the date of donation. Donated goods and services in connection with special events are included in both special event revenue and direct benefits to donors on the accompanying statements of activities.

For the years ended December 31, 2024 and 2023, the Foundation received donated airtime to promote an educational campaign. These donations largely consisted of unsold airtime which would have been sold at a discount. The Foundation recorded the airtime at 12 percent of the reported value in 2024 and 6 percent in 2023. The Foundation also received discounted design services, food, and beverage in connection with the special events. The Foundation recorded the value of donated food and beverage as the cost of food, labor, and rentals not charged to the Foundation. The Foundation recorded the value of donated design services as the additional amount which would have been paid had the services not been donated.

In addition, a substantial number of volunteers donate time to Prevent Cancer Foundation's program services and special events. These donated services are not reflected in the financial statements since the services do not require specialized skills as defined by U.S. GAAP.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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A summary of donated services and materials is as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Contributions for programs and fundraising		
Public service announcements	\$ 582,338	\$ 677,375
Printing discount	-	984
Food and beverage	-	1,115
Other materials	-	851
Reimbursements	-	279
Honorarium	2,550	275
	<u>584,888</u>	<u>680,879</u>
Contributions for special events		
Design services	90,000	90,000
Food and beverage	74,530	42,726
Other discounted services	3,297	2,299
	<u>167,827</u>	<u>135,025</u>
	<u>\$ 752,715</u>	<u>\$ 815,904</u>

### 7. Special events

The Foundation sponsors several special events during the year. The purpose of these events is to raise public awareness about cancer as well as to raise funds to further the Foundation's purpose.

Special event activity for the year ended December 31, 2024, is as follows:

	<u>Revenue</u>	<u>Direct benefit expenses</u>	<u>Other expenses</u>	<u>Net</u>
Gala	\$ 2,364,595	\$ 373,218	\$ 423,248	\$ 1,568,129
Awesome Games	2,516,886	-	445,632	2,071,254
	<u>\$ 4,881,481</u>	<u>\$ 373,218</u>	<u>\$ 868,880</u>	<u>\$ 3,639,383</u>

Special event activity for the year ended December 31, 2023, is as follows:

	<u>Revenue</u>	<u>Direct benefit expenses</u>	<u>Other expenses</u>	<u>Net</u>
Gala	\$ 2,207,919	\$ 327,564	\$ 249,232	\$ 1,631,123
Awesome Games	2,665,755	-	468,709	2,197,046
	<u>\$ 4,873,674</u>	<u>\$ 327,564</u>	<u>\$ 717,941</u>	<u>\$ 3,828,169</u>

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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### 8. Leases

The Foundation leases office space under a long-term non-cancelable operating lease agreement. The lease began on May 1, 2022, and terminates on June 30, 2033. Per the terms of the lease, the first 14 months' rental payments are abated, with monthly rental payments of \$20,021 commencing in 2023 and increasing annually. Additionally, the lease requires the Foundation to pay a proportionate share of real estate taxes.

The Foundation leases office equipment under two long-term non-cancellable finance lease agreements. These leases were entered into in 2022 and terminate in 2025 and 2027, respectively.

The amounts of operating and finance lease ROU assets and related lease liabilities recorded within the Foundation's statements of financial position as of December 31 are as follows:

	<u>2024</u>	<u>2023</u>
Operating lease		
Operating lease right-of-use asset	\$ 1,781,534	\$ 1,958,333
Current portion of long-term lease liability	193,971	181,813
Long-term lease liability	1,900,437	2,094,408
Total operating lease liability	<u>\$ 2,094,408</u>	<u>\$ 2,276,221</u>
Finance leases		
Finance lease right-of-use assets	\$ 27,786	\$ 52,810
Current portion of long-term lease liabilities	22,810	25,449
Long-term lease liabilities	7,352	28,478
Total finance lease liabilities	<u>\$ 30,162</u>	<u>\$ 53,927</u>

The components of lease expense for the years ended December 31 are as follows:

	<u>2024</u>	<u>2023</u>
Finance lease cost		
Amortization of right of use assets	\$ 24,960	\$ 23,384
Interest on lease liabilities	1,327	2,017
Total finance lease costs	<u>26,287</u>	<u>25,401</u>
Operating lease cost		
Operating lease expense	239,617	239,617
Other lease expenses	9,786	4,235
Total operating lease costs	<u>\$ 249,403</u>	<u>\$ 243,852</u>

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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The Foundation had the following cash and non-cash activities associated with leases for the years ended December 31:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	\$ 1,327	\$ 2,017
Financing cash flows from finance leases	\$ 23,701	\$ 22,702
Operating cash flows from operating leases	\$ 244,632	\$ 120,126

The weighted-average discount rate for each lease is based on the risk-free rate. The Foundation elected the option to use the risk-free rate determined using a period comparable to the lease terms as the rate implicit in the lease is not readily determinable.

The Foundation's weighted-average lease terms and discount rates as of December 31 are as follows:

	2024	2023
Weighted-average remaining lease term		
Finance leases	1.45	2.27
Operating lease	8.50	9.50
Weighted-average discount rate		
Finance leases	3.20%	3.33%
Operating lease	2.89%	2.89%

As of December 31, 2024, the future payments due under operating and finance leases are as follows:

	Finance	Operating
2025	\$ 23,294	\$ 251,360
2026	5,964	258,285
2027	1,491	265,388
2028	-	272,669
2029	-	280,166
Thereafter	-	1,042,287
	<u>30,749</u>	<u>2,370,155</u>
Less: present value discount	(587)	(275,747)
	<u>\$ 30,162</u>	<u>\$ 2,094,408</u>

### 9. Commitments and concentrations

In April 2024, the Foundation entered into a contract with Games Done Quick LLC to take part in the 2025 Awesome Games Done Quick event. The Foundation must pay the costs of staff and contractors used to develop the event. As of December 31, 2024, the Foundation had paid \$400,000 of those costs, which is included with prepaid expenses on the statement of financial position. An additional \$39,197 is to be paid in 2025.

For the years ended December 31, 2024 and 2023, approximately 33 percent and 31 percent, respectively, of the Foundation's support and revenue was derived from the Awesome Games Done Quick event. Any changes in the benefitting charity in future years would have a significant impact on the Foundation.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

### 10. Retirement plan

The Foundation maintains a 401(k) plan. The Foundation makes contributions on behalf of employees in amounts ranging from 3 to 4 percent of an employee's salary. The Foundation made contributions totaling \$93,017 and \$89,989 for the years ended December 31, 2024 and 2023, respectively.

The Foundation adopted a 457(b) plan in 2007. Only employees within a select group of management or highly compensated employees chosen by the Board of Directors are eligible to participate. Contributions are made at the sole discretion of the Foundation and do not need to be uniform among all participants.

For the years ended December 31, 2024 and 2023, the Founder and the CEO were the only participants in the 457(b) plan; the Founder withdrew the entirety of her funds in the year ended December 31, 2024. Contributions for the two years were \$23,000 and \$45,000, respectively. The fair market value of the plan's assets was \$64,853 and \$568,309 at December 31, 2024 and 2023, respectively.

### 11. Net assets with donor restrictions

Net assets are restricted for specific events or future periods. Changes in net assets with donor restrictions for the year ended December 31, 2024, were as follows:

	December 31, 2023	Additions and investment income	Releases	December 31, 2024
Restricted to future periods				
Interest in remainder trusts	\$ 243,769	\$ 18,311	\$ -	\$ 262,080
Other receivables	50,000	-	50,000	-
	<u>293,769</u>	<u>18,311</u>	<u>50,000</u>	<u>262,080</u>
Restricted for specific activities or purpose				
Think About the Link Campaign	97,585	-	97,585	-
Dialogue National Conference	1,487	40,000	41,487	-
Congressional Families Program	51,903	230,000	256,903	25,000
Quantitative Imaging Workshop	29,020	72,500	101,520	-
Better Outcomes Campaign	-	100,000	-	100,000
Community Grantee Network	-	40,000	38,286	1,714
Sarah Howard fund	460,878	43,388	154,524	349,742
	<u>640,873</u>	<u>525,888</u>	<u>690,305</u>	<u>476,456</u>
Endowment earnings subject to spending policy and appropriation	694,240	96,209	-	790,449
Donor-restricted endowment subject to a perpetual restriction	278,413	-	-	278,413
	<u>\$ 1,907,295</u>	<u>\$ 640,408</u>	<u>\$ 740,305</u>	<u>\$ 1,807,398</u>

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

Changes in net assets with donor restrictions for the year ended December 31, 2023, were as follows:

	December 31, 2022	Additions and investment income	Releases	December 31, 2023
Restricted to future periods				
Interest in remainder trusts	\$ 229,013	\$ 14,756	\$ -	\$ 243,769
Other receivables	-	50,000	-	50,000
	<u>229,013</u>	<u>64,756</u>	<u>-</u>	<u>293,769</u>
Restricted for specific activities or purpose				
Think About the Link Campaign	147,504	81	50,000	97,585
Too Young for This Campaign	49,950	-	49,950	-
Dialogue National Conference	-	75,195	73,708	1,487
Congressional Families Program	50,000	184,165	182,262	51,903
Quantitative Imaging Workshop	27,718	57,939	56,637	29,020
Sarah Howard fund	502,367	63,511	105,000	460,878
	<u>777,539</u>	<u>380,891</u>	<u>517,557</u>	<u>640,873</u>
Endowment earnings subject to spending policy and appropriation	573,492	120,748	-	694,240
Donor-restricted endowment subject to a perpetual restriction	278,413	-	-	278,413
	<u>\$ 1,858,457</u>	<u>\$ 566,395</u>	<u>\$ 517,557</u>	<u>\$ 1,907,295</u>

## 12. Endowment and board-designated funds

The Foundation has three individual funds established for the purpose of funding research grants and community education (the Funds). The Funds include both donor-restricted funds and funds designated by the Board of Directors to function as endowments. The donor-restricted endowment fund was established for the purpose of providing income to support the Foundation's research grant programs. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

### Interpretation of Relevant Law

The Virginia Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The Foundation classifies as net assets with donor restrictions perpetual in nature (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 required to be made by explicit directions in the applicable donor gift instrument at the time the gift is added to the fund.

# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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The remaining portion of the donor-restricted endowment fund that is not classified in net assets with restrictions perpetual in nature is classified as net assets with donor restrictions subject to expenditure for a specific purpose until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate additions to donor-restricted endowment funds:

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

UPMIFA applies only to donor-restricted endowment funds and not to board-designated funds.

### Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its Funds while seeking to maintain the purchasing power of the assets. Fund assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity as well as board-designated funds. Under the policy, as approved by the Board of Directors, the assets are invested in a manner that is intended to maximize current return and provide growth and income that at a minimum exceeds inflation for the current year. Actual returns in any given year may vary from this amount.

### Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the Foundation 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). The Foundation targets a diversified asset allocation that places an equal emphasis on equity-based investments and fixed-income mutual funds to achieve its long-term return objectives within prudent risk constraints.

### Spending policy and how the investment objectives relate to spending policy

The amounts appropriated for distribution by the Foundation vary each year depending on their program needs. Amounts distributed from the Board designated funds are authorized by the Board of Directors and are transferred into the Foundation's operating cash accounts for use during the year. Over the long term, the Foundation expects the current spending policy to allow its Funds to grow and to maintain the Foundation's objective to maintain the purchasing power of the Fund assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

### Net asset composition by type of fund

The net assets consisted of the following as of December 31, 2024:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 1,068,862	\$ 1,068,862
Board-designated endowment funds	14,434,022	-	14,434,022
	<u>\$ 14,434,022</u>	<u>\$ 1,068,862</u>	<u>\$ 15,502,884</u>

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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The net assets consisted of the following as of December 31, 2023:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 972,653	\$ 972,653
Board-designated endowment funds	13,059,258	-	13,059,258
	<u>\$ 13,059,258</u>	<u>\$ 972,653</u>	<u>\$ 14,031,911</u>

### Changes in endowment and board-designated funds

The net activity consisted of the following:

	Without donor restrictions	With donor restrictions	Total
Endowment funds as of December 31, 2022	\$ 7,269,156	\$ 851,905	\$ 8,121,061
Investment return, net	1,643,389	120,748	1,764,137
Transfers	4,146,713	-	4,146,713
Endowment funds as of December 31, 2023	<u>13,059,258</u>	<u>972,653</u>	<u>14,031,911</u>
Investment return, net	1,374,764	96,209	1,470,973
Endowment funds as of December 31, 2024	<u>\$ 14,434,022</u>	<u>\$ 1,068,862</u>	<u>\$ 15,502,884</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 or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2024 and 2023.

## 13. Fair value of financial instruments

The Foundation utilizes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring inputs that are most observable be used when available. Observable inputs are inputs that are independently derived and based on observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Examples include equity securities and publicly traded mutual funds that are actively traded on a major exchange or over-the-counter market.

Level 2 – Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly, such as municipal bonds. The fair value of municipal bonds is estimated using recently executed transactions, bid/asked prices and pricing models that factor in, where applicable, interest rates, bond spreads and volatility.

Level 3 – Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value. Examples include limited partnerships and private equity investments.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

Cash and cash equivalents: The carrying value is considered to be a reasonable estimate of the fair value.

Interest in remainder trusts: The Foundation has interests in irrevocable charitable remainder trusts for which it does not act as trustee. The fair value of these trust assets, which are reported at the market value of the investments reported by the trustees and adjusted based on the estimated life expectancy of the donor, have been identified as Level 3 in the fair value hierarchy. There were no changes in valuation techniques in the years ended December 31, 2024 and 2023. No amounts were transferred during the year ended for the years ended December 31, 2024 and 2023; the only changes are attributable to the changes in value of \$18,311 and \$14,756 for the years ended December 31, 2024 and 2023, respectively. A growth rate of 3 percent and income rate of 4 percent has been used in the calculation of the present value of these items. The significant unobservable inputs used in the fair value measurement of the Foundation's Level 3 investments are subject to market risks resulting from changes in the market value of its investments.

Mutual funds and ETFs: Prevent Cancer Foundation's holdings in publicly traded mutual funds consist principally of fixed income and equity securities carried at their aggregate market value that is determined by quoted market prices. Each of these investments can be liquidated daily. Valuation is based on Level 1 inputs within the hierarchy used in measuring fair value.

Assets measured at fair value on a recurring basis are summarized below as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Investments				
Money market funds	\$ 1,344,775	\$ -	\$ -	\$ 1,344,775
Fixed income				
US Treasury Note	553,174			553,174
Mutual funds - fixed income				
Artisan High Income Fund	546,389	-	-	546,389
PIMCO Mortgage Opportunities Fund	731,144	-	-	731,144
Voya Intermediate Bond	1,689,072	-	-	1,689,072
Equities				
ETF - equity				
iShares Core S&P 500	1,236,228	-	-	1,236,228
iShares Russell 2000	674,812	-	-	674,812
SPDR S&P Biotech	227,402	-	-	227,402
Vanguard Emerging Markets Stock Idx Adm	433,754	-	-	433,754
Mutual funds - equity				
Artisan Intl Value Fund	1,309,073	-	-	1,309,073
Brown Advisory Buell Goodman	1,929,564	-	-	1,929,564
Brown Advisory Global Leaders	1,616,233	-	-	1,616,233
Brown Advisory Small Cap	894,830	-	-	894,830
Brown Advisory Sustainable Growth	2,017,952	-	-	2,017,952
Common stocks	327,206	-		327,206
Mutual Funds				
Blackrock Global Allocation	511,276	-	-	511,276
Interests in remainder trusts	-	-	262,080	262,080
Deferred compensation plan				
Equities - AB Wealth Appreciaton	64,853	-	-	64,853
<b>Total assets at fair value</b>	<b>\$ 16,107,737</b>	<b>\$ -</b>	<b>\$ 262,080</b>	<b>\$ 16,369,817</b>

See independent auditor's report.

# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

Assets measured at fair value on a recurring basis are summarized below as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Investments				
Money market funds	\$ 1,295,080	\$ -	\$ -	\$ 1,295,080
Fixed income				
US Treasury Note	556,276	-	-	556,276
Mutual funds - fixed income				
Artisan High Income Fund	125,416	-	-	125,416
PIMCO Mortgage Opportunities Fund	475,165	-	-	475,165
Voya Intermediate Bond	1,623,991	-	-	1,623,991
Equities				
ETF - equity				
iShares Core S&P 500	1,066,548	-	-	1,066,548
iShares Russell 2000	826,925	-	-	826,925
Vanguard Emerging Markets Stock Idx Adm	403,083	-	-	403,083
SPDR S&P Biotech	225,458	-	-	225,458
Mutual funds - equity				
Artisan Intl Value Fund	1,248,372	-	-	1,248,372
Brown Advisory Beull Goodman	1,436,954	-	-	1,436,954
Brown Advisory Global Leaders	1,423,393	-	-	1,423,393
Brown Advisory Small Cap	856,085	-	-	856,085
Brown Advisory Sustainable Growth	1,764,150	-	-	1,764,150
Lazard Global Listed Infrastructure	270,407	-	-	270,407
Common stocks	235,429	-	-	235,429
Foreign stocks				
Brookfield Infrastructure Corp	203,566	-	-	203,566
Mutual Funds				
Blackrock Global Allocation	568,890	-	-	568,890
Interests in remainder trusts	-	-	243,769	243,769
Deferred compensation plan				
Equities - AB Wealth Appreciaton	568,309	-	-	568,309
<b>Total assets at fair value</b>	<b>\$ 15,173,497</b>	<b>\$ -</b>	<b>\$ 243,769</b>	<b>\$ 15,417,266</b>

### 14. Liquidity and availability

The Foundation strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

The Foundation's board-designated endowment is subject to annual spending as described in Note 12. Although the Foundation does not intend to spend from the endowments (other than amounts appropriated for general expenditure as part of our Board's annual budget approval and appropriation), the board-designated endowment could be made available if necessary.

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# Prevent Cancer Foundation

## Notes to Financial Statements December 31, 2024 and 2023

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The following table reflects the Foundation's financial assets for the years ended December 31, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor or contractual restrictions:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,828,712	\$ 3,321,574
Grants and pledges receivable	106,415	75,574
Investments	<u>540,000</u>	<u>573,277</u>
Total financial assets available within one year	3,475,127	3,970,425
Less amounts unavailable for general expenditures within one year due to:		
Restrictions by donors for specific activities or purpose	<u>(476,456)</u>	<u>(640,873)</u>
Total financial assets available to meet general expenditures within one year:	<u>\$ 2,998,671</u>	<u>\$ 3,329,552</u>

### 15. Related-party transactions

Design services were provided for the Gala by a company owned by a board member. The Foundation paid \$133,695 and \$113,275 for these services for the years ended December 31, 2024 and 2023, respectively. Additionally, the company contributed \$90,000 of design services in each of the years ended December 31, 2024 and 2023.

During the ordinary course of business for the years ended December 31, 2024 and 2023, the Foundation paid for legal services from a law firm of which a member of the board of directors is a partner.

### 16. Allocation of functional expenses and joint costs

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The following expenses have been allocated across functional areas based on an estimate of time spent by personnel: advertising, computer services, delivery and shipping, depreciation, equipment lease, insurance, legal, maintenance and storage, membership dues and subscriptions, payroll taxes and processing, professional services, rent, retirement, salaries, supplies, taxes and licenses, telephone and internet, temporary services, and training.

The Foundation incurs joint costs for website costs and a newsletter that includes a fundraising appeal insert. These costs are allocated based on management's analysis of the content of the newsletter, the number of pages on the website, and the duration of the fundraising component and health fair relative to the total time of the event.

Joint allocated costs were as follows for the year ended December 31, 2024:

	<u>Fundraising</u>	<u>Program services</u>	<u>Management and general</u>
Newsletter	\$ 4,091	\$ 20,457	\$ -
Website	\$ 196	\$ 7,564	\$ 3,651

See independent auditor's report.

**Prevent Cancer Foundation**

**Notes to Financial Statements  
December 31, 2024 and 2023**

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Joint allocated costs were as follows for the year ended December 31, 2023:

	<u>Fundraising</u>	<u>Program services</u>	<u>Management and general</u>
Newsletter	\$ 4,032	\$ 23,385	\$ 1,613
Website	\$ 585	\$ 17,875	\$ 335

**17. Subsequent events**

The Foundation assessed events occurring subsequent to December 31, 2024 through June 18, 2025, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustments to or disclosure in the financial statements.