



**Cancer Research and Treatment
Fund, Inc.**

Financial Statements

December 31, 2023 and 2022

CANCER RESEARCH AND TREATMENT FUND, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cancer Research and Treatment Fund, Inc.

Opinion

We have audited the accompanying financial statements of Cancer Research and Treatment Fund, Inc. (a New York nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Cancer Research and Treatment Fund, Inc. as of December 31, 2023 and 2022, 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 Cancer Research and Treatment Fund, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Cancer Research and Treatment Fund, Inc.'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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,



misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cancer Research and Treatment Fund, Inc.'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 Cancer Research and Treatment Fund, Inc.'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.

A handwritten signature in blue ink that reads "Sassetti LLC". The signature is written in a cursive, flowing style.

Oak Brook, Illinois

July 12, 2024

CANCER RESEARCH AND TREATMENT FUND, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 602,415	\$ 668,774
Investments	13,038,453	11,845,986
Prepaid expenses and other assets	13,061	16,244
Right-of-use asset	94,381	47,545
Total Current Assets	13,748,310	12,578,549
Property and equipment, net	-	2,767
TOTAL ASSETS	\$ 13,748,310	\$ 12,581,316
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Grants payable	\$ 240,000	\$ 271,000
Accounts payable	-	11,588
Accrued expenses	21,250	16,750
Lease liability, short-term portion	44,158	43,866
Total Current Liabilities	305,408	343,204
LONG-TERM LIABILITIES		
Lease liability, long-term portion	50,495	3,679
TOTAL LIABILITIES	355,903	346,883
 NET ASSETS		
Without donor restrictions	13,392,407	12,234,433
Total Net Assets	13,392,407	12,234,433
TOTAL LIABILITIES AND NET ASSETS	\$ 13,748,310	\$ 12,581,316

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

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENTS OF ACTIVITIES

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
REVENUES AND OTHER SUPPORT		
Contributions	\$ 160,145	\$ 148,694
Special events revenue	630,970	427,875
Employee retention tax credit	-	18,631
Investment income (loss), net of fees of \$66,986 and \$70,645, respectively	<u>1,525,193</u>	<u>(1,980,119)</u>
Total Revenues and Other Support	<u>2,316,308</u>	<u>(1,384,919)</u>
EXPENSES		
Program	837,227	747,704
Fundraising	253,783	241,341
General and administrative	<u>67,324</u>	<u>64,436</u>
Total Expenses	<u>1,158,334</u>	<u>1,053,481</u>
CHANGE IN NET ASSETS	1,157,974	(2,438,400)
NET ASSETS		
Beginning of year	<u>12,234,433</u>	<u>14,672,833</u>
End of of year	<u>\$ 13,392,407</u>	<u>\$ 12,234,433</u>

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

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program Services	Fundraising	Management and General	Total
Payroll and related expenses				
Salaries	\$ 170,189	\$ 64,529	\$ 28,680	\$ 263,398
Payroll taxes and related costs	13,870	6,030	2,680	22,580
	<u>184,059</u>	<u>70,559</u>	<u>31,360</u>	<u>285,978</u>
Grants				
Grants for the Silver MPN Center	487,500	-	-	487,500
Other grants and research support	57,950	-	-	57,950
	<u>545,450</u>	<u>-</u>	<u>-</u>	<u>545,450</u>
Other				
Special events expense	44,779	102,300	-	147,079
Rent	15,547	19,989	8,883	44,419
Newsletter and public relations	8,226	10,577	4,701	23,504
Office and other miscellaneous	17,363	22,324	9,921	49,608
Meetings	3,729	4,795	2,131	10,655
Professional fees	16,298	20,955	9,313	46,566
Telephone	808	1,039	461	2,308
Depreciation	968	1,245	554	2,767
	<u>107,718</u>	<u>183,224</u>	<u>35,964</u>	<u>326,906</u>
Total Expenses	<u>\$ 837,227</u>	<u>\$ 253,783</u>	<u>\$ 67,324</u>	<u>\$ 1,158,334</u>

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

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Program Services	Fundraising	Management and General	Total
Payroll and related expenses				
Salaries	\$ 169,985	\$ 64,266	\$ 28,562	\$ 262,813
Payroll taxes and related costs	14,065	6,280	2,791	23,136
	<u>184,050</u>	<u>70,546</u>	<u>31,353</u>	<u>285,949</u>
Grants				
Grants for the Silver MPN Center	483,500	-	-	483,500
Other grants and research support	22,257	-	-	22,257
	<u>505,757</u>	<u>-</u>	<u>-</u>	<u>505,757</u>
Other				
Special events expense	-	96,356	-	96,356
Rent	15,426	19,834	8,815	44,075
Newsletter and public relations	7,178	9,229	4,101	20,508
Office and other miscellaneous	16,951	21,794	9,685	48,430
Meetings	1,130	1,453	647	3,230
Professional fees	16,095	20,693	9,197	45,985
Telephone	902	1,159	515	2,576
Depreciation	215	277	123	615
	<u>57,897</u>	<u>170,795</u>	<u>33,083</u>	<u>261,775</u>
Total Expenses	<u>\$ 747,704</u>	<u>\$ 241,341</u>	<u>\$ 64,436</u>	<u>\$ 1,053,481</u>

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

CANCER RESEARCH AND TREATMENT FUND, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,157,974	\$ (2,438,400)
Adjustments to reconcile change in net assets to net cash used in operating activities -		
Unrealized (gain) loss on investments	(1,209,801)	1,983,648
Noncash lease expense	44,419	40,468
Depreciation	2,767	615
(Increase) decrease in operating assets:		
Pledges receivable	-	24,270
Prepaid expenses and other assets	3,183	(1,193)
Increase (decrease) in operating liabilities:		
Grants payable	(31,000)	108,500
Accounts payable	(11,588)	10,045
Accrued expenses	4,500	(9,050)
Lease liability	(44,147)	(40,468)
Net Cash Used in Operating Activities	(83,693)	(321,565)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturity of investments	2,160,654	4,582,220
Purchases of investments	(2,143,320)	(4,549,213)
Net Cash Provided by Investing Activities	17,334	33,007
NET DECREASE IN CASH AND CASH EQUIVALENTS	(66,359)	(288,558)
CASH AND CASH EQUIVALENTS:		
Beginning of year	668,774	957,332
End of year	\$ 602,415	\$ 668,774
SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING ACTIVITIES		
Right-of-use asset obtained in exchange for operating lease liability	\$ 90,619	\$ 87,304

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

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Cancer Research and Treatment Fund, Inc. (“the Organization”) is a not-for-profit organization founded to fund cancer research and treatment, emphasizing myeloproliferative neoplasms and other common blood and solid tumor cancers. Funding is granted to individuals for research in connection with cancer related disorders. Revenue and support for the Organization are primarily from the general public.

Basis of Accounting - Under generally accepted accounting principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The net assets of the Organization are reported in the two self-balancing groups as follows:

- Net Assets without Donor Restrictions: Net assets without donor restrictions are for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.
- Net Assets with Donor Restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. As of December 31, 2023 and 2022, the Organization has no net assets with donor restrictions.

Cash Flow Information – For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. No cash was paid for income taxes or interest during the years ended December 31, 2023 and 2022.

Revenue Recognition – Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases the restricted net asset class. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the contribution as without donor restrictions.

Event revenue is recognized at a point in time when the particular event occurs.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Pledges Receivable - Receivables are uncollateralized grantor or donor obligations. Payments of receivables are allocated to the specific letter, or agreement, identified on the related voucher or, if unspecified, investigated to identify the appropriate letter, or agreement, to which to apply the payment. Management periodically reviews all receivable balances to evaluate the collectability of pledged amounts and based on the assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Based upon these reviews, management believed all receivables to be fully collectible and, accordingly, no allowance for uncollectible receivables is reflected in the accompanying financial statements.

Estimates – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which required 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. Accordingly, actual results could differ from those estimates.

Investments – Equity, bond, and governmental securities are carried at fair value. The fair value of other investments has been estimated using the Net Asset Value (“NAV”) as reported by the management of the respective other investment funds.

Interest and dividends are recorded when earned. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of income.

Property and Equipment – Property and equipment are stated at cost. Expenditures for major additions and improvements above \$5,000 are capitalized, while minor repairs and maintenance are charged to expense as incurred. Depreciation is based on the estimated useful lives of depreciable assets and is provided using the straight-line method. When property is disposed, the asset and the accumulated depreciation are removed from the accounts. Any resulting gain or loss is reflected in operations in the period incurred.

Leases – The Organization determines if an arrangement is or contains a lease at inception. The Organization makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, it is an operating lease. Leases are included in right-of-use (“ROU”) assets and lease liabilities in the Statements of Financial Position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term at the commencement date.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Operating and finance lease ROU assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. As most leases do not provide an implicit rate, the Organization has elected to use a risk-free borrowing rate based on the information available at the commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives and initial direct costs incurred. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

As permitted by U.S. GAAP, management has elected not to apply these new lease accounting policies to leases with a term of less than one year at the lease's commencement date. Expenses associated with these short-term leases are recognized on a straight-line basis over the term of the lease.

Contributed Nonfinancial Assets – Contributions of donated nonfinancial assets are recorded at their fair values, and contributions of donated services that create or enhance nonfinancial assets or those that require specialized skills which would normally be purchased by the Organization if not provided by donation are recorded at their fair market value in the period received.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, campaign solicitations, and various committee assignments. Volunteer hours received by the Organization are not recognized in the financial statements because they did not meet the criteria for recognition under U.S. GAAP.

Functional Allocation of Expenses – In the Statements of Functional Expenses, the costs which are directly associated with a particular program or supportive service are allocated directly to that functional category. Cost have also been allocated between program, fundraising, and administrative functions based on estimates of time and effort of personal involved in each function. Although the method of allocation used is considered appropriate, other methods could be used that would produce different amounts.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, campaign solicitations, and various committee assignments. Volunteer hours received by the Organization are not recognized in the financial statements because they did not meet the criteria for recognition under U.S. GAAP, which states that in order to record the value of services, the services must either (a) create or enhance non-financial assets, or (b) the service must require specialized skills.

Tax-Exempt Status – The Organization is a not-for-profit institution exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provisions for income taxes have been provided in the accompanying financial statements.

The Organization follows U.S. GAAP guidance on *Accounting for Uncertainty in Income Taxes*. This topic provides guidance on the recognition, measurement, classification and disclosures related to uncertain tax positions, along with any interest and penalties. The Organization continually evaluates the possible existence of uncertain tax positions. The federal and state tax returns of the Organization are subject to examination, generally for three years after filing.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Adopted Accounting Pronouncements - As of January 1, 2023, the Organization adopted a new accounting standard under U.S. GAAP that replaced the incurred loss model for measuring the allowance for credit losses with a new model that reflects current expected credit losses (“CECL”) that are expected to occur over the lifetime of the underlying accounts receivable. The CECL methodology is applicable to financial assets that the Organization measures at amortized cost, including trade accounts receivable and contract assets. The Organization adopted the changes in accounting for credit losses using a modified retrospective method. There was no cumulative effect of initially applying the new standard, and there was no material impacts to the financial statements due to the adoption of the standard.

Reclassifications – Certain items in the 2022 financial statements have been reclassified to conform to the current year presentation.

Subsequent Events - The Organization has evaluated subsequent events through July 12, 2024, the date that the financial statements were available to be issued.

2. CONCENTRATIONS

The Organization maintains cash balances in financial institutions. The balances are insured by the Federal Deposit Insurance Corporation. The Organization’s bank balances may at times exceed insurable limits. The Organization has not experienced any losses in such accounts and as a result believes it is not exposed to any significant financial risk.

The Organization maintains an investment portfolio that contains non-traditional, not readily marketable investments. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by managers or general managers of underlying securities may be based on ongoing operational due diligence and risk monitoring of underlying investment funds. At December 31, 2023 and 2022, the Organization’s investment in these types of funds comprised 53% and 59% of total investments, respectively.

3. INVESTMENTS

Investments consist of the following at December 31, 2023:

	2023		
	Cost	Fair Value	Unrealized Gain
Equity securities	\$ 4,779,910	\$ 6,090,692	\$ 1,310,782
Non-equity correlated	2,730,437	4,969,093	2,238,656
Hedged equities	314,632	1,380,093	1,065,461
Private credit equities	488,925	598,575	109,650
Total	<u>\$ 8,313,904</u>	<u>\$ 13,038,453</u>	<u>\$ 4,724,549</u>

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Investments consist of the following at December 31, 2022:

	2022		Unrealized Gain
	Cost	Fair Value	
Equity securities	\$ 4,245,073	\$ 4,810,958	\$ 565,885
Non-equity correlated	2,768,437	4,692,365	1,923,928
Hedged equities	860,561	1,808,782	948,221
Private credit equities	461,278	533,881	72,603
Total	\$ 8,335,349	\$ 11,845,986	\$ 3,510,637

4. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 820, Fair Value Measurements and Disclosures, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). An exit price valuation will include margins for risk even if they are not observable. As the Organization is released from risk, the margins for risk will also be released through net realized gains (losses) in net income (loss). 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 three levels of the fair value hierarchy are described as follows:

Level 1 – Valuation is based upon quoted prices in active markets for identical assets.

Level 2 – Valuation based on inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or dissimilar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity, and that are significant to the fair value of the assets or liabilities.

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. There are no changes in the valuation of methodologies used at December 31, 2023 and 2022.

Fair values for marketable securities are determined by reference to quoted market prices and other relevant information generated by market transactions.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Fair values of assets measured on a recurring basis were as follows:

	Fair Value Measurements at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 6,090,692	\$ -	\$ -	\$ 6,090,692
Other investments:				
Non-equity correlated ^(a)				4,969,093
Hedged equities ^(a)				1,380,093
Private credit equities ^(a)				598,575
Total investments, at fair value				\$ 13,038,453

	Fair Value Measurements at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 4,810,958	\$ -	\$ -	4,810,958
Other investments:				
Non-equity correlated ^(a)				4,692,365
Hedged equities ^(a)				1,808,782
Private credit equities ^(a)				533,881
Total investments, at fair value				\$ 11,845,986

(a) In accordance with current accounting standards, certain investments that are measured at fair value using the NAV per share "Practical Expedient" have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Financial Position.

Non-equity correlated, hedged equities, and private credit equities employ a variety of investment strategies with varying net/gross exposure levels. The fair values of the investment in this category are those reported by the fund administrator at December 31, 2023 and 2022. Liquidity terms vary by fund, with certain funds offering flexible terms. The investment strategies are summarized as follows:

- Credit Strategies employ an investment process focused on identifying corporate credit instruments that are either undervalued or overvalued to their fair value. Managers typically employ a fundamentally-oriented investment process to identify mispriced credit instruments.
- Distressed Debt Strategies employ an investment process focused on identifying corporate credit instruments trading at significant discounts to their fair value. Managers are typically actively involved with these companies, often through participation in creditors' committees or other restructuring decisions.

CANCER RESEARCH AND TREATMENT FUND, INC.

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- Event Driven Strategies relate to situations in which the underlying investment opportunity and risk is associated with an event. An Event Driven investment strategy finds investment opportunities in transactional events including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, security issuance or other capital structure adjustments.
- Macro Investment Strategies take position in share, bond, or currency markets in anticipation of global macroeconomic events to generate a risk-adjusted return. Macro fund managers use macroeconomic analysis based on global market events and trends to identify opportunities for investment that would profit from anticipated price movements.
- Market Neutral Strategies exhibit zero correlation with an unwanted source of risk.
- Long/Short Equity Strategies involve buying long equities that are expected to increase in value and selling short equities that are expected to decrease in value.
- Multi-Strategy Funds engagement in variety of investment strategies, including but not limited to long/short equity, market neutral, event driven and global macro.
- Private Credit Strategies generate attractive risk-adjustment net returns by investing in a portfolio of funds that engage in private credit and/or lending transactions, including funds that either make loans to middle-market business or invest in a diversified portfolio of commercial real estate-related debt and securities.

5. NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. Board designated net assets represent amounts identified by the Board which have been invested for use at management's discretion. Income earned on such balances accrues and, with approval of the Board, may be used to support the Organization's activities.

The following summarizes activity for net assets with board designated restrictions during 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net assets with board designated restrictions, January 1:	\$ 12,116,079	\$ 14,346,198
Investment (loss) income, net of fees	1,525,193	(1,980,119)
Less: transfers	<u>(400,000)</u>	<u>(250,000)</u>
Net assets with board designated restrictions, December 31:	<u>\$ 13,241,272</u>	<u>\$ 12,116,079</u>

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

The following summarizes ending balances of all net assets without donor restrictions at December 31, 2023 and 2022:

	2023	2022
Board designated	\$ 13,241,272	\$ 12,116,079
Undesignated net assets	151,135	118,354
Net assets without donor restrictions	\$ 13,392,407	\$ 12,234,433

6. PROPERTY AND EQUIPMENT

Major classifications of property and equipment, and their respective useful lives, are as follows at December 31:

	2023	2022	Estimated Useful Lives
Webpage	\$ 50,300	\$ 50,300	3 - 7 years
Leasehold improvements	19,201	19,201	39 years
Computer	16,573	16,573	5 years
Furniture	6,806	6,806	7 years
Equipment	2,351	2,351	5 - 7 years
	95,231	95,231	
Less: accumulated depreciation	(95,231)	(92,464)	
	\$ -	\$ 2,767	

Depreciation expense for the years ended December 31, 2023 and 2022 was \$2,767 and \$615, respectively.

7. LEASE COMMITMENT

The Organization leases its facilities in New York, New York from an independent party. The prior lease expired January 31, 2024 and required monthly payments of \$3,679. The current lease commenced February 1, 2024 and expires on January 31, 2026. Monthly payments are \$3,974 throughout the life of the lease. Rent-related expense for the years ended December 31, 2023 and 2022 was \$47,826 and \$44,075, respectively.

CANCER RESEARCH AND TREATMENT FUND, INC.

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The following is a schedule by year of future minimum rent payments required under the operating lease as of December 31:

2024	\$	47,385
2025		47,679
2026		3,973
Total undiscounted cash flows		99,037
Less: present value discount		(4,384)
Total lease liabilities	\$	94,653

The following table provides additional information related to the Organization's lease as of December 31, 2023:

Weighted-average remaining lease term in years for operating leases	2.08
Weighted-average discount rate for operating leases	4.56%

The discount rate utilized in the calculation of the Organization's ROU asset and lease liability was the risk-free discount rate at the time the lease agreement was renewed.

8. EMPLOYEE RETENTION TAX CREDIT

During 2022, the Organization applied for the Employee Retention Tax Credit, a refundable payroll tax credit established under the Coronavirus Aid, Relief, and Economic Security Act to incentivize organizations to keep employees on their payroll. The Organization met the conditions to recognize revenue during 2022, as it was deemed to have qualified to receive the credits. For the year ended December 31, 2022, the Organization recognized employee retention tax credit income of \$18,631.

9. COMMITMENTS AND CONTINGENCIES

The Organization made an initial pledge of \$3,700,000 in 2011 to the Weill Cornell Medical College (the "College") for the purpose of creating the Richard T. Silver, M.D. Myeloproliferative Neoplasm Center (the "Silver MPN Center"). The pledge was subsequently and most recently modified in 2023, increasing the total pledge to \$7,442,000. As of December 31, 2023 and 2022, the remaining unpaid pledge amounted to \$240,000 and \$271,500, respectively.

The pledged amounts remaining as of December 31, 2023 are to be paid as follows:

- A gift of \$240,000, which is classified as grants payable on the 2023 Statement of Financial Position for amounts approved by the Board but unpaid to support the future MPN research of the Scientific Director of the Silver MPN Center.

The amounts and timing of these gifts are also subject to the terms and conditions stated in the pledge agreements.

The remaining gifts will be recorded as amounts are determined and approved annually by the Organization's Board.

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10. MAJOR CONTRIBUTORS

For the year ended December 31, 2023, three gifts totaling \$100,000 comprised approximately 62% of total contributions. These gifts have no restrictions on their use.

For the year ended December 31, 2022, three gifts totaling \$85,000 comprised approximately 57% of total contributions. These gifts have no restrictions on their use.

11. SPECIAL EVENTS REVENUE

The following summarizes special events revenue recognized by source during the years ended December 31, 2023 and 2022:

	2023	2022
Patient Symposium	\$ 231,215	\$ -
Hall of Fame Dinner	399,755	427,875
Total special events revenue	\$ 630,970	\$ 427,875

12. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization operates on a consistent annual cycle, with their primary expenditures related to the payment of pledge commitments, and various other budgeted administrative and fundraising expenses.

The Organization's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

	2023	2022
Cash and cash equivalents	\$ 602,415	\$ 668,774
Investments	13,038,453	11,845,986
Total financial assets available within one year	13,640,868	12,514,760
Less: amounts unavailable for general expenditures within one year due to:		
Pledges approved to be paid within one year	(240,000)	(271,000)
Less: amounts unavailable to management without Board approval:		
Board designated net assets	(13,241,272)	(12,116,079)
Total financial assets available to management for general expenditure within one year	\$ 159,596	\$ 127,681