

**SWIFTY FOUNDATION**

**FINANCIAL STATEMENTS**

**For the Year Ended  
December 31, 2023**

# SWIFTY FOUNDATION

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# Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

## **Independent Auditor's Report**

Board of Directors  
Swiftly Foundation  
Woodridge, Illinois

### ***Opinion***

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

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

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Swiftly Foundation 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 Swiftly 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, 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 Swifty 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 Swifty 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.

*Desmond & Ahern, Ltd*

July 1, 2024  
Chicago, IL

**SWIFTY FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**For the Year Ended December 31, 2023**

**Assets**

Current Assets

Cash and equivalents	\$ 306,155
Investments	397,232
Accounts receivable, net	<u>68,422</u>

<b>Total Assets</b>	<b><u><u>771,809</u></u></b>
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**Liabilities and Net Assets**

Current Liabilities

Accounts payable and accrued expenses	26
Grants payable - current portion	<u>496,071</u>
Total current liabilities	496,097

Other Liabilities

Grants payable - long term portion	<u>100,000</u>
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<b>Total liabilities</b>	<b><u><u>596,097</u></u></b>
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Net Assets

Without donor restrictions	
Undesignated	(2,121)
Designated by the board	<u>177,833</u>
Total net assets without donor restrictions	<u>175,712</u>

<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 771,809</u></u></b>
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See independent auditor's report and notes to financial statements.

**SWIFTY FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2023**

**Revenues and Other Support**

Contributions	\$ 729,024
Investment income, net	81,959
<b>Total Public Support and Revenue</b>	<b>810,983</b>

**Expenses**

Program	1,094,387
Administrative	94,191
Fundraising	2,519
<b>Total Expenses</b>	<b>1,191,097</b>

<b>Change in net assets</b>	<b>(380,114)</b>
<b>Net assets without donor restrictions, beginning of year</b>	<b>555,826</b>
<b>Net assets without donor restrictions, end of year</b>	<b>\$ 175,712</b>

See independent auditor's report and notes to financial statements.

**SWIFTY FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2023**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
<b><u>Functional Expenses</u></b>				
Salaries and wages	\$ 181,015	\$ 20,339	\$ 2,034	\$ 203,388
Payroll taxes	17,926	2,014	201	20,141
<b>Total Salaries and Wages</b>	<b>198,941</b>	<b>22,353</b>	<b>2,235</b>	<b>223,529</b>
Communication	17,687	-	-	17,687
Dues and subscriptions	730	82	8	820
Equipment	5,147	578	58	5,783
Fees	2,430	-	-	2,430
Grant and advocacy expense	854,410	-	-	854,410
Miscellaneous	2,555	-	-	2,555
Office expenses	-	553	77	630
Postage	1,709	192	19	1,920
Printing and copying	5,834	656	66	6,556
Professional fees	-	69,221	-	69,221
Website and social media	4,944	556	56	5,556
<b>Total Expenses</b>	<b>\$ 1,094,387</b>	<b>\$ 94,191</b>	<b>\$ 2,519</b>	<b>\$ 1,191,097</b>

See independent auditor's report and notes to financial statements.

**SWIFTY FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2023**

**Cash Flows from Operating Activities**

Change in net assets	\$ (380,114)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Realized and unrealized loss on investments	(61,300)
Changes in operating assets and liabilities	
Accounts receivable	26,603
Accounts payable and accrued expenses	(1,435)
Grants payable	(76,094)
Net cash provided by (used in) operating activities	<u>(492,340)</u>

**Cash Flows from Investing Activities**

Purchases of investments	(352,792)
Proceeds from sales of investments	<u>526,770</u>
Net cash provided by (used in) investing activities	<u>173,978</u>

<b>Net decrease in cash and equivalents</b>	(318,362)
<b>Cash and equivalents, beginning of year</b>	<u>624,517</u>
<b>Cash and equivalents, end of year</b>	<u><u>\$ 306,155</u></u>

See independent auditor's report and notes to financial statements.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 1 – Nature of Operations and Summary of Significant Accounting Policies**

Foundation

Swiftly Foundation (the “Foundation”) was founded in 2012 to raise awareness and support for research aimed at understanding the causes of pediatric brain cancer and finding a cure through tissue donation, research collaboration, and medulloblastoma research.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities in accordance with the accounting principles generally accepted in the United States of America (“GAAP”).

Basis of Presentation

As required by the generally accepted accounting principles for Not-for-Profit accounting, the Foundation is required to report information regarding its financial position and activities according to two classes:

Without donor restrictions – Net assets that are not subject to donor-imposed restrictions. Such gifts include gifts without restrictions, including restricted gifts whose donor-imposed restrictions were met during the year and those designated by the Board of Directors.

With donor restrictions – Net assets subject to donor-imposed restrictions which will be met either by actions of the Foundation or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Restrictions that have been met on net assets with donor restrictions are reported as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as without donor restrictions. As of December 31, 2023, there were no net assets with donor restrictions.

Cash and Equivalents

Cash and equivalents consist of bank deposits in federally insured accounts. At times, balances may be in excess of the Federal Deposit Insurance Corporation (“FDIC”) insurance limit.

For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid debt instruments with an original maturity or anticipated liquidation of three months or less and all certificates of deposit to be cash equivalents. No cash was paid for taxes or interest during the year ended December 31, 2023.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)**

Accounts Receivable

Accounts receivable consists of unconditional promises to give by donors and other payments. Unconditional promises to give are recorded in the year the promises are made. Accounts receivable are carried net of allowance for doubtful accounts. The Foundation records an allowance for doubtful accounts based on specifically identified amounts that are not certain to be collected. Management has deemed an allowance for doubtful accounts not to be necessary at December 31, 2023.

Support and Revenue

The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been met. 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. 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.

The Foundation reports gifts of land, buildings, and equipment as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the year ending December 31, 2023 no such gifts of land, buildings, or equipment were received.

The Foundation recognizes contract revenue at an amount that reflects consideration to which the Foundation expects to be entitled to in exchange for transferring goods or services to a customer. For performance reporting contracts, a customer pays the agreed upon amounts after the completion and submission of specified deliverables in the contract. For these contracts, the Foundation will allocate the transaction price of the contract to the specific performance obligations based on the contract. The Foundation recognizes revenue when the performance obligations are met and delivered to the customer. The Foundation had no contracts during 2023 that were performance reporting contracts. There are no contract assets or liabilities.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)**

Grants Payable

Grants payable represent amount promised to various institutions by the Foundation, some of which are due in installments. Grants are recorded in full as an expense in the year of promise.

Use of Estimates

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

Income Tax Status

The Foundation was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code (IRC) Section 501(c)(3). Contributions to the Foundation qualify for the charitable contribution deduction pursuant to IRS Section 170(b)(1)(A)(vi) and has been classified as a Foundation that is not a private Foundation under Section 509(a)(1). The tax-exempt purpose of the Foundation and the nature in which it operates is described above. Management believes the Foundation continues to operate in compliance with its tax-exempt purpose. Thus, no provision for income tax has been provided for in the financial statements.

The Foundation has adopted the requirements for accounting for uncertain tax positions and management has determined that the Foundation was not required to record a liability related to uncertain tax positions as of December 31, 2023.

The Foundation's annual information and income tax returns filed with the federal and state governments are subject to examination generally for three years after they are filed. All filings are current.

Donated Services

Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the years ending December 31, 2023, no donated services met the criteria for recognition.

However, a number of volunteers, including the Board of Directors, have made significant contributions of time to the Foundation's programs and support functions, but the value of this contributed time does not meet the above criteria for recognition of contributed services contained per Generally Accepted Accounting Principles.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)**

In-Kind Contributions

In addition to receiving cash contributions, the Foundation may receive in-kind contributions from various donors. It is the policy of the Foundation to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the year ending December 31, 2023, the Foundation did not receive in-kind donations.

Functional Allocation of Expenses

The costs of providing various programs and other activities has been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services.

The financial statements report certain categories of expenses that are attributable to one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses include salaries and payroll taxes which are allocated on the basis of estimates of time performed by management.

Subsequent Events

Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The Foundation has evaluated subsequent events through July 1, 2024, which is the date the financial statements were available to be issued. No subsequent events have been identified that are required to be disclosed as of that date.

Adoption of New Accounting Standard

On January 1, 2023, the Foundation adopted FASB Accounting Standards Update 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including accounts receivable. There was no material impact on the Foundation’s results of operations or financial condition upon adoption of the new standard.

**Note 2 – Financial Assets and Liquidity Resources**

The Foundation monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures as part of its operating needs.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 2 – Financial Assets and Liquidity Resources (cont.)**

As of December 31, 2023, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

Financial assets at year-end	
Cash and cash equivalents	\$ 306,155
Investments	397,232
Accounts receivable	68,422
Total financial assets at year-end	<u>771,809</u>
Less amounts not available to be used within one year:	
Board designations:	
Amount set aside for operating expenses	<u>(177,833)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 593,976</u>

Amounts not available within one year include amounts set aside for long-term investing that could be drawn upon if the governing board approves the action. However, these amounts were established with the sole purpose to fund the Foundation’s operating activities (see Note 6 – Board Designated Net Assets). In addition to financials assets available to meet general expenditures over the next 12 months, the Foundation anticipates collecting sufficient revenue to cover general expenditures.

**Note 3 – Fair Value Measurements**

Generally Accepted Accounting Principles (GAAP) defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. GAAP establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

**SWIFTY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**Note 3 – Fair Value Measurements (cont.)**

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The fair value of debt and equity investments that are readily marketable are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs) or by quoted market prices of similar securities with similar due dates or matrix pricing. This is a mathematical technique widely used in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on securities' relationship to other benchmark quoted securities (Level 2 inputs).

*Mutual Funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held the Foundation are deemed to be actively traded.

*Exchange Traded Funds:* Valued at the closing price reported on the active market in which the individual securities comprising the fund are traded.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 208,662	\$ -	\$ -	\$ 208,662
Exchange traded funds	188,570	-	-	188,570
	<u>\$ 397,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 397,233</u>

**Note 4 – Investments**

Investments, primarily consisting of mutual funds and exchange traded funds, are stated at fair value. Gain and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments are reflected in the statement of activities and changes in net assets as increases or decreases in net assets without donor restriction unless the use was restricted by explicit donor stipulations. Investment income is presented net on the Statement of Activities.

**SWIFTY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023**

**Note 4 – Investments (cont.)**

Investments at cost and fair value as of December 31, 2023 are as follows:

	<u>Cost</u>	<u>Fair Value</u>
Mutual funds	\$ 206,587	\$ 208,662
Exchange traded funds	138,525	188,570
	<u>\$ 345,112</u>	<u>\$ 397,233</u>

Investment income consists of the following for the year ended December 31, 2023:

Unrealized loss	\$ 38,817
Realized gain	22,483
Dividend and interest	22,229
Investment fees	(1,570)
	<u>\$ 81,959</u>

**Note 5 – Board Designated Net Assets**

The founders of the Swifty Foundation made a contribution to the foundation in 2013. Although not initially restricted, the purpose behind the contribution was for the principal to remain intact and investment income to be used solely for operational purposes (see Note 7 – Related Party Transactions). As part of the Foundation’s annual review, the governing board has designated net assets without donor restrictions of \$177,833 for general operating activities as of December 31, 2023.

**Note 6 – Related Party Transactions**

The Gustafson Family Foundation, now referred to as the DuPage Foundation Donor-Advised Fund, makes contributions to the Foundation. Allen and Patti Gustafson serve on the board of Swifty Foundation and the Gustafson Family Foundation.

**Note 7 – Grants Payable and Commitments**

Grants payable at December 31, 2023 are to paid as follows:

2024	\$ 496,071
2025	100,000
	<u>\$ 596,071</u>