



# **The Cancer Foundation**

**SERVING NORTHEAST GEORGIA**

**THE CANCER FOUNDATION, INC.**

**(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED**

**DECEMBER 31, 2024 AND 2023**

**THE CANCER FOUNDATION, INC.**  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The Cancer Foundation, Inc.  
Athens, GA 30604

### Opinion

We have audited the accompanying financial statements of The Cancer Foundation, Inc., (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expense, 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 The Cancer Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Cancer Foundation, 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 The Cancer Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' 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 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 The Cancer Foundation, 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 The Cancer Foundation, 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.

*Rushton, LLC*

Certified Public Accountants  
Gainesville, Georgia  
May 21, 2025

**THE CANCER FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 1,231,355	\$ 898,449
Certificates of deposit	-	250,000
Inventory	28,915	40,000
Total Current Assets	<u>1,260,270</u>	<u>1,188,449</u>
<b>NONCURRENT ASSETS</b>		
Operating lease right-of-use asset, net	122,149	-
Investments	1,112,987	1,011,541
Total Noncurrent Assets	<u>1,235,136</u>	<u>1,011,541</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,495,406</u>	<u>\$ 2,199,990</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 9,863	\$ 45,770
Accrued payroll liabilities	4,329	5,432
Operating lease liabilities	50,880	-
Total Current Liabilities	<u>65,072</u>	<u>51,202</u>
<b>LONG-TERM LIABILITIES</b>		
Operating lease liabilities	71,639	-
<b>TOTAL LIABILITIES</b>	<u>136,711</u>	<u>51,202</u>
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	1,245,708	1,137,247
Board designated	1,112,987	1,011,541
<b>TOTAL NET ASSETS</b>	<u>2,358,695</u>	<u>2,148,788</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 2,495,406</u>	<u>\$ 2,199,990</u>

See accompanying notes and independent auditors' report.

**THE CANCER FOUNDATION, INC.**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**(With Comparative Totals for the Year Ended December 31, 2023)**

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>2024 Totals</u>	<u>2023 Totals</u>
<b>SUPPORT AND REVENUE</b>				
Grants	\$ 77,400	\$ 118,034	\$ 195,434	\$ 101,825
Contributions	831,058	-	831,058	744,946
In-kind support	12,296	-	12,296	4,843
Special events	327,961	-	327,961	238,807
Interest and dividends	62,103	-	62,103	26,298
Realized and unrealized gains/(losses) on investments	87,207	-	87,207	104,297
<b>Net assets released from restrictions</b>				
Restrictions satisfied by payments	<u>118,034</u>	<u>(118,034)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,516,059</u>	<u>-</u>	<u>1,516,059</u>	<u>1,221,016</u>
<b>EXPENSES</b>				
Program services	977,687	-	977,687	894,559
Management and general	113,212	-	113,212	54,059
Fundraising	<u>215,253</u>	<u>-</u>	<u>215,253</u>	<u>134,478</u>
Total Expenses	<u>1,306,152</u>	<u>-</u>	<u>1,306,152</u>	<u>1,083,096</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>209,907</u>	<u>-</u>	<u>209,907</u>	<u>137,920</u>
<b>NET ASSETS, JANUARY 1</b>	<u>2,148,788</u>	<u>-</u>	<u>2,148,788</u>	<u>2,010,868</u>
<b>NET ASSETS, DECEMBER 31</b>	<u>\$ 2,358,695</u>	<u>\$ -</u>	<u>\$ 2,358,695</u>	<u>\$ 2,148,788</u>

See accompanying notes and independent auditors' report.

**THE CANCER FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Totals</u>
<b>SUPPORT AND REVENUE</b>			
Grants	\$ 37,000	\$ 64,825	\$ 101,825
Contributions	734,946	10,000	744,946
In-kind support	4,843	-	4,843
Special events	238,807	-	238,807
Interest and dividends	26,298	-	26,298
Realized and unrealized gains/(losses) on investments	104,297	-	104,297
<b>Net assets released from restrictions</b>			
Restrictions satisfied by payments	<u>116,875</u>	<u>(116,875)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,263,066</u>	<u>(42,050)</u>	<u>1,221,016</u>
<b>EXPENSES</b>			
Program services	894,559	-	894,559
Management and general	54,059	-	54,059
Fundraising	134,478	-	134,478
Total Expenses	<u>1,083,096</u>	<u>-</u>	<u>1,083,096</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>179,970</u>	<u>(42,050)</u>	<u>137,920</u>
<b>NET ASSETS, JANUARY 1</b>	<u>1,968,818</u>	<u>42,050</u>	<u>2,010,868</u>
<b>NET ASSETS, DECEMBER 31</b>	<u>\$ 2,148,788</u>	<u>\$ -</u>	<u>\$ 2,148,788</u>

**THE CANCER FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase (decrease) in net assets	\$ 209,907	\$ 137,920
Adjustments to reconcile increase in net income to net cash provided by operating activities:		
Unrealized (gains)/losses on investments	(84,349)	(104,297)
Lease assets and liabilities, net change	(173)	-
(Increase) decrease in operating assets:		
Inventory	11,085	(26,750)
Unconditional promises to give	-	42,050
Increase (decrease) in operating liabilities:		
Accounts payable	(35,907)	45,770
Payroll liabilities	(560)	481
	<u>100,003</u>	<u>95,174</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of certificates of deposit	-	(250,000)
Purchase of investments	(17,097)	(1,334,816)
Proceeds from maturity of certificates of deposit	250,000	-
Proceeds from sale of investments	-	1,380,983
	<u>232,903</u>	<u>(203,833)</u>
Net Cash Provided (Used) by Investing Activities		
	<u>332,906</u>	<u>(108,659)</u>
Net Increase (Decrease) in Cash		
	<u>898,449</u>	<u>1,007,108</u>
<b>CASH, JANUARY 1</b>		
	<u>898,449</u>	<u>1,007,108</u>
<b>CASH, DECEMBER 31</b>	<u>\$ 1,231,355</u>	<u>\$ 898,449</u>

See accompanying notes and independent auditors' report.

**THE CANCER FOUNDATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(With Comparative Totals for the Year Ended December 31, 2023)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2024 Totals</u>	<u>2023 Totals</u>
<b>COMPENSATION AND RELATED EXPENSES</b>					
Compensation	\$ 123,852	\$ 107,811	\$ 115,186	\$ 346,849	\$ 247,195
Other employee benefits	25,207	615	4,918	30,740	5,340
Payroll taxes	21,801	525	3,940	26,266	18,316
Total Compensation and Related Expenses	<u>170,860</u>	<u>108,951</u>	<u>124,044</u>	<u>403,855</u>	<u>270,851</u>
<b>OTHER EXPENSES</b>					
Advertising	1,851	45	360	2,257	5,501
Bad debt expense	-	-	-	-	11,500
Bank and credit card fees	8,623	210	1,682	10,515	7,427
Board and committee expense	3,001	73	585	3,659	1,638
Dues and subscriptions	7,757	189	1,514	9,460	535
Equipment	5,343	65	1,108	6,515	-
Financial assistance program	590,023	-	-	590,023	632,068
Fundraising expense	-	-	-	-	18,512
Insurance - organizational	96	2	19	117	12,108
In-Kind expense	-	-	-	-	4,843
Investment fees	11,424	279	2,229	13,932	11,568
Lease expense	30,700	749	5,990	37,439	-
Miscellaneous	8,781	214	1,713	10,708	2,701
Postage and printing	36,467	889	7,115	44,471	37,557
Professional fees	55,084	679	12,241	68,004	23,312
Purchased food distributed and disposed	12,182	-	-	12,182	-
Software	29,873	729	5,829	36,431	4,734
Special events expense	-	-	49,729	49,729	35,307
Supplies	2,160	53	420	2,633	1,012
Telephone	3,026	74	590	3,690	1,809
Travel	436	11	85	532	113
Total Other Expenses	<u>806,827</u>	<u>4,261</u>	<u>91,209</u>	<u>902,297</u>	<u>812,245</u>
<b>Total Functional Expenses</b>	<u>\$ 977,687</u>	<u>\$ 113,212</u>	<u>\$ 215,253</u>	<u>\$ 1,306,152</u>	<u>\$ 1,083,096</u>

See accompanying notes and independent auditors' report.

**THE CANCER FOUNDATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>
<b>COMPENSATION AND RELATED EXPENSES</b>				
Compensation	\$ 125,943	\$ 32,965	\$ 88,287	\$ 247,195
Other employee benefits	2,723	748	1,869	5,340
Payroll taxes	9,341	2,564	6,411	18,316
	<u>138,007</u>	<u>36,277</u>	<u>96,567</u>	<u>270,851</u>
<b>OTHER EXPENSES</b>				
Advertising	4,236	605	660	5,501
Bank and credit card fees	5,719	817	891	7,427
Board and committee expense	1,261	180	197	1,638
Dues and subscriptions	412	59	64	535
Financial assistance program	632,068	-	-	632,068
Fundraising expense	-	-	18,512	18,512
Insurance - organizational	9,323	1,332	1,453	12,108
In-Kind expense	3,729	533	581	4,843
Investment fees	8,908	1,272	1,388	11,568
Miscellaneous	2,080	297	324	2,701
Postage and printing	28,919	4,131	4,507	37,557
Professional fees	17,951	2,564	2,797	23,312
Software	3,645	521	568	4,734
Special events expense	27,186	3,884	4,237	35,307
Supplies	780	111	121	1,012
Telephone	1,393	199	217	1,809
Travel	87	12	14	113
	<u>756,552</u>	<u>17,782</u>	<u>37,911</u>	<u>812,245</u>
<b>Total Other Expenses</b>				
<b>Total Functional Expenses</b>	<u>\$ 894,559</u>	<u>\$ 54,059</u>	<u>\$ 134,478</u>	<u>\$ 1,083,096</u>

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

The Cancer Foundation (the "Organization") is a Georgia not-for-profit corporation, incorporated under the laws of the State of Georgia, dedicated to alleviating the financial burden of cancer treatment for eligible patients and their families by providing monetary assistance for basic living expenses such as housing, utilities, transportation, food and medication. The Organization serves the following counties in northeast Georgia: Banks, Barrow, Clarke, Elbert, Franklin, Greene, Habersham, Hart, Jackson, Jasper, Lumpkin, Madison, Morgan, Newton, Oconee, Oglethorpe, Putnam, Rabun, Stephens, Taliaferro, Towns, Union, Walton, White, and Wilkes. The Organization's major sources of revenues come from fundraising events and contributions. The Organization receives contributions from individuals, private corporations, and granting entities.

**Basis of Accounting**

The accompanying financial statements of the Organization have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles.

**Basis of Presentation**

The Organization's financial statements presentation follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958, *Financial Statements for Not-for-Profit Organizations*, as updated by Accounting Standards Update 2016-04, *Presentation of Financial Statements of Not-for-Profit Entities*. These standards require classification of net assets and revenue, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of these two classes of net assets, with donor restrictions and without donor restrictions, be displayed in the statement of activities and changes in net assets. The accounting standards provide that if a governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions. Accordingly, the net assets of the Organization and the changes therein are classified as follows:

- *Net Assets Without Donor Restrictions* - Net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.
- *Net Assets With Donor Restrictions* - Net assets subject to stipulations imposed by donors and grantors. 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.

**Promises to Give**

Unconditional promises to give are recognized as revenues or gains in the period the donor makes the promise to give and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers short-term, highly-liquid investments such as checking, savings, and money market accounts with an initial maturity of three months or less to be cash equivalents.

**Investments**

The investments held by the Organization are comprised of stocks, mutual funds, corporate bonds, government bonds, and money market funds. The Organization reports the values of these investments at their quoted market prices and classifies them as noncurrent assets because there is no plan to liquidate the investments within one year. All gains and losses and investment income are reported as increase or decrease in net assets without donor restrictions unless the investment income or gain is either restricted by the donor or by statute. Restricted investment income or gains for which the restrictions are met in the same year as recognized are reported as increases to net assets without donor restrictions.

Generally accepted accounting principles provide a framework for measuring fair value of investments. That framework provides a fair value hierarchy that prioritizes the inputs to valuation used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Assets that are required to be recorded at fair value in the statements of financial position are categorized on the inputs to valuation techniques as follows:

*Level 1* - Unadjusted quoted market prices for identical assets as of the measurement date.

*Level 2* - Significant other observable inputs other than quoted market prices.

*Level 3* - Unobservable inputs that cannot be corroborated by observable market data.

**Compensated Absences**

Employees of the Organization are entitled to paid vacation and personal days off, depending on job classification, length of service and other factors. It is not practical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the cost of compensated absences when actually paid to employees. The results reported using this policy do not differ materially from those that would be presented if the Organization accrued a liability for earned and unused compensated absences.

**Retirement Contributions**

The Organization maintains a SIMPLE-IRA plan for eligible employees. Under the plan, the Organization will match the contributions of participants to a maximum of 3% of compensation. Contributions to the plan for 2024 and 2023 totaled \$9,879 and \$6,138, respectively.

**Income Taxes**

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. The Organization has been determined by the Internal Revenue Service not to be a "private foundation" within meaning of Section 509(a) of the Internal Revenue Code.

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Directly identifiable expenses are charged to programs and supporting functions. The expenses that are allocated include occupancy, office, etc., which are allocated from salaries and benefits that are allocated on the basis of estimates of time and effort. Management and general expenses include those expenses that provide for the overall support and direction of the Organization.

**Statement of Cash Flows**

The statement of cash flows is intended to reflect only receipt and payment activities arising from cash transactions. The statement of cash flows does not reflect immaterial non-cash investing activities.

**Revenue and Revenue Recognition**

The Organization 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 Organization recognizes special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

The Organization recognizes revenue from grants and allocations when the performance obligation of the agreement is met. These typically are when the related expense occurs.

The Organization follows FASB ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which provides guidance on revenue recognition. ASU 2014-09 is based on the principle that revenue from contracts with customers should be recognized when an entity transfers goods or services to the customer at the amount the entity expects to be entitled to receive from the customer. The following five step approach is provided for recognizing and measuring revenue in order to adhere to the key principles established:

1. Identify customer contracts.
2. Identify performance obligations.
3. Determine the price of the transaction.
4. Allocate the transaction price to each performance obligation.
5. Recognize revenue as performance obligations are satisfied.

The Organization follows FASB ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. ASU 2018-08 requires that an entity determine whether or not a contribution is conditional on the basis of whether or not the underlying agreement includes a barrier that must be overcome, and either a right of return of the assets transferred or a right of release of the donor's obligation to transfer assets. The presence of both of these elements would represent a condition for the contribution.

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Leases**

The Organization follows FASB ASU No. 2016-02, *Leases*. ASU 2016-02 establishes a model that requires lessees to record a right-of-use asset and a lease liability in the statements of financial position for all leases with terms longer than twelve months. Leases can be classified as either finance leases or operating leases depending on the characteristics of the lease.

For operating leases, the Organization recognizes a right-of-use asset and lease liability at lease commencement.

The operating lease "Right-of-use asset" is initially measured as the initial lease liability. Subsequent to commencement, we measure operating right-of-use assets at the carrying amount of the operating lease liability adjusted for deferred payments. However, if an operating lease right-of-use asset is impaired, we subsequently measure the right-of-use asset on a straight-line basis from the date of the impairment to the earlier of the end of the right-of-use asset's useful life or the end of the lease term. Operating lease right-of-use assets are included in other assets in the statements of financial position.

The operating lease liability is initially measured at the present value of the unpaid lease payments, using a discount rate. Based on the practical expedient for nonpublic entities, the Organization elected to use a risk-free discount rate. Subsequent to commencement, we measure the operating lease liability at the present value of the unpaid lease payments, discounted at the rate established at commencement. The lease liability is remeasured when there is a change in the future lease payments arising from a change in payments or index, there is a change in the estimate of the amount we expect to pay under residual value guarantee, or if we change our assessment of whether we will exercise a purchase, extension, or termination option. Operating lease liabilities are included in liabilities in the statements of financial position.

For operating leases, we recognize the following amount in earnings each period of the lease term:

1. A single lease cost, calculated so that the remaining cost of the lease is allocated over the remaining lease term on a straight-line basis.
2. Any variable lease payments, in the period in which the obligation is incurred.

We have included the costs of operating leases in the operating expenses in the statements of activities.

**Contributions**

Contributions, including unconditional promises to give, are recorded in the period received as either with or without restrictions support depending on the existence and/or nature of any donor restrictions. Non-cash contributions are recorded at their estimated fair value as of the date of contribution. The Organization reports unconditional promises to give as net assets with donor restrictions because of the implied restriction on the period in which such resources can be used by the Organization. Contributions required to be used to purchase long-lived assets are reported as net assets with donor restrictions until the related asset is placed in service. Contributions, including contributions of long-lived property, with donor restrictions which are met in the year received are reported as an increase to net assets without donor restrictions.

Unconditional promises to give that are receivable more than one year from the date of grant are discounted to their net present value using a discount rate commensurate with the related risks involved. Amortization of any discount on long-term promises to give is reported as additional contribution revenue. The Organization reports allowances for uncollectible unconditional promises to give based on management's evaluation of the current portfolio of promises to give and the likelihood that the Organization might not collect all of the promised contributions.

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions (Continued)**

The Organization received many hours of contributed services from unpaid volunteers. These services were all in support of the Organization's programs and activities. Even though these volunteers are important in the Organization meeting its goals, the Organization does not reflect the value of these services in its financial statements because the services do not require specialized skills and the services would typically not be purchased if they were not donated.

Substantially all of the revenues of the Organization are receipts from fundraising activities and other contributions from donors. Revenues from fundraisers are considered to be partly contributions to the Organization and partly exchange transactions. The revenue from the exchange transaction component of fundraisers is considered to be earned upon the fundraising event occurring as the Organization has no further performance obligation beyond hosting the event. Payments from all fundraising events are due prior to the event taking place or shortly thereafter. The Organization had no payments receivable from fundraising events that were outstanding at year-end and the Organization has no obligations to accept returns of items purchased at these events or to provide any service related to these sales whatsoever.

**Donated Assets and Services**

In the prior year, the Organization occupied space in a facility without paying rent. The Organization no longer occupies space in said facility in the current year. The Organization has estimated the approximate fair value of the annual rental of these facilities to be \$0 and \$3,099 for 2024 and 2023, respectively, and it is included with in-kind support and expenses in the statements of activities.

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation. The Organization received approximately \$0 and \$4,843 for rent, supplies, and various services for operations in 2024 and 2023, respectively.

Additionally, the Organization receives food donations, which are recorded as inventory for the food pantry at their estimated fair values at the date of donation. The Organization received approximately \$4,415 and \$0 for the years ended December 31, 2024 and 2023, respectively.

**Advertising**

The Organization expenses advertising as incurred. Advertising expense was \$2,257 and \$5,501 for the years ended December 31, 2024 and 2023, respectively.

**Use of Estimates**

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

**NOTE 2 - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of cash and promises to give. The Organization expects to have these liquid assets available for use on general expenses and debt obligations in the next year.

**THE CANCER FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 2 - LIQUIDITY AND AVAILABILITY (CONTINUED)**

The following represents the Organization's financial assets at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash	\$ 1,231,355	\$ 898,449
Certificates of deposit	-	250,000
	<u>\$ 1,231,355</u>	<u>\$ 1,148,449</u>

**NOTE 3 - PROMISES TO GIVE**

The Organization receives promises to give from businesses and individuals on an annual basis. Promises to give are recorded as net assets with donor restrictions until collected. The promises to give are unconditional.

Activity for unconditional promises to give was as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Beginning promise balance	\$ -	\$ 42,050
Payments received	-	(30,550)
Uncollected promises	-	(11,500)
Outstanding unconditional promises to give	-	-
Receivable in less than one year	-	-
Receivable in more than one year	<u>\$ -</u>	<u>\$ -</u>

The fair value of the promises to give approximated their face value. The Organization does not require collateral or the use of a master agreement to secure any pledges receivable. If all of the donors were to fail to pay their pledged amounts, the Organization would suffer an accounting loss equal to the carrying value of the promise to give.

**NOTE 4 - INVESTMENTS**

Investments are presented in the financial statements at fair value using level 1 fair value measurements (quoted prices in active markets). Investments consist of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash	\$ 33,257	\$ -
Mutual funds	745,142	633,039
Corporate bonds	26,009	28,221
Government bonds	308,579	285,835
Money market funds	-	64,446
	<u>\$ 1,112,987</u>	<u>\$ 1,011,541</u>

**THE CANCER FOUNDATION, INC.**  
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**NOTE 4 - INVESTMENTS (CONTINUED)**

The investment is a quasi-endowment fund that is not subject to donor restrictions. The funds are set aside by the Board to be invested for long-term purposes. The governing board has the right to expend the funds at its discretion.

Investment income was \$87,207 and \$104,297 for the years ended December 31, 2024 and 2023, respectively. Investment fees of \$13,932 and \$11,568 are listed on the statements of functional expenses for the years ended December 31, 2024 and 2023, respectively.

**NOTE 5 - LEASES**

The Organization entered into a building lease agreement beginning August 23, 2024 that expires on July 23, 2027. Beginning August 23, 2024, the Organization recorded an operating lease liability of \$85,346. The Organization also entered into two leases for software on January 14, 2024 that expire on January 13, 2027. Beginning January 14, 2024, the Organization recorded an operating lease liability totaling \$70,776. Our calculations were based on the current risk free rate. As of December 31, 2024, the total operating lease liabilities balance was \$122,519. During 2024, total lease expense under all operating leases was \$37,439 and is included in expenses in the accompanying statements of activities.

The following is a schedule of future minimum payments required under our operating lease:

<u>Years Ending December 31:</u>	<u>Amount</u>
2025	\$ 50,880
2026	53,760
2027	17,879
2028	-
2029 +	-
	<hr/>
Total discounted cash flows	<u>\$ 122,519</u>

As of December 31, 2024, the right-of-use asset balance was \$122,149.

**Right-of-Use Assets**

On September 23, 2024, the Organization recorded a right-of-use asset of \$156,122. The calculations were based on the initial operating lease liability. The subsequent measurement is based on the carrying amount of the lease liability adjusted for straight-line rent accrual.

**NOTE 6 - ENDOWMENT FUNDS**

The Organization receives donations for an established board-designated endowment fund. The endowment fund is comprised of stocks, mutual funds, corporate bonds, government bonds, and money market funds listed in Note 4 above.

**THE CANCER FOUNDATION, INC.**  
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**NOTE 6 - ENDOWMENT FUNDS (CONTINUED)**

**Interpretation of Relevant Law**

As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on existence or absence of donor-imposed restrictions. The State Prudent Management of Institutional Funds Act (SPMIFA) requires the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) the earnings on the donor-restricted endowment fund until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Changes in the Endowment fund for the year ended December 31, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2024	\$ 1,011,541	\$ -	\$ 1,011,541
Board designations	5,147	-	5,147
Investment Income	23,024	-	23,024
Net appreciation (realized and unrealized)	87,207	-	87,207
Investment fees	(13,932)	-	(13,932)
Endowment net assets, December 31, 2024	<u>\$ 1,112,987</u>	<u>\$ -</u>	<u>\$ 1,112,987</u>

**THE CANCER FOUNDATION, INC.**  
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**NOTE 6 - ENDOWMENT FUNDS (CONTINUED)**

Changes in the Endowment fund for the year ended December 31, 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2023	\$ 953,411	\$ -	\$ 953,411
Board designations	5,400	-	5,400
Security transfers	1,011,318	-	1,011,318
Net appreciation (realized and unrealized)	104,297	-	104,297
Amounts appropriated for expenditure	(1,051,317)	-	(1,051,317)
Investment fees	(11,568)	-	(11,568)
Endowment net assets, December 31, 2023	<u>\$ 1,011,541</u>	<u>\$ -</u>	<u>\$ 1,011,541</u>

**Endowment Fund Spending Policy**

The Organization established the spending policy in the establishment of the Endowment Fund. The policy spending rate for the Fund shall be 4-6 percent. The amount available for appropriation during each fiscal year shall be calculated by applying the policy spending rate to the average of the trailing 12 quarter portfolio values. Any special appropriation or decision not to spend the amount indicated by the spending formula must be approved in advance by the Board of Directors. Subject to the intent of a donor expressed in a gift instrument, the Organization may appropriate for expenditures or accumulate so much of the Fund as the Board of Directors determines to be prudent for the uses, benefits, purposes and duration for which each of the separate endowments in the Fund established.

**NOTE 7 - NET ASSETS RELEASED FROM RESTRICTION**

Net assets were released from donor restrictions by incurring expenses or costs satisfying the restricted purposes or by occurrence of other events specified by the donors at December 31, 2024 and 2023:

Purpose restriction accomplished:	<u>2024</u>	<u>2023</u>
Pledge campaigns	\$ -	\$ 30,550
Program services	118,034	74,825
Write off of pledge receivables	-	11,500
	<u>\$ 118,034</u>	<u>\$ 116,875</u>

**NOTE 8 - CONCENTRATION OF RISKS**

**Concentration of Cash Balance**

The Organization maintains cash at one financial institution. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2024, the Organization had \$252,261 in uninsured bank balances.

**THE CANCER FOUNDATION, INC.**  
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**NOTE 8 - CONCENTRATION OF RISKS (CONTINUED)**

**Concentration of Credit Risk Arising from Uncollateralized Investments (SIPC)**

The Organization's programs are concentrated in Northeast Georgia. The level of contributions and program service revenue may be affected by changes in this local economy.

**NOTE 9 - INCOME TAXES**

The Organization follows FASB ASC 740 regarding the recognition requirements for uncertain tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken in its filing with the Internal Revenue Service and state jurisdictions where it operates. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded a reserve, or related accruals for interest and penalties for uncertain income tax positions as of December 31, 2024.

The Organization is subject to routine audits by taxing jurisdictions; however, there are no audits currently being performed. The Organization believes it is no longer subject to income tax examinations for years prior to 2021.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

**NOTE 10 - SUBSEQUENT EVENTS**

Management evaluated all events or transactions that occurred after December 31, 2024 through May 21, 2025, the date the financial statements were available to be issued. No events have occurred during this period that would require adjustment to or disclosure in the accompanying financial statements.