Curebound

FINANCIAL STATEMENTS

Years Ended December 31, 2025 and 2024

Aldrich

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Aldrich CPAs + Advisors LLP
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San Diego, CA 92108

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Curebound
San Diego, California

Opinion

We have audited the accompanying financial statements of Curebound (a nonprofit organization), which are comprised of the statements of financial position as of December 31, 2025 and 2024, 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 Curebound as of December 31, 2025 and 2024, 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 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 Curebound and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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 Curebound's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR’S REPORT, Continued

Auditor’s Responsibilities for the Audit of the Financial Statements, continued

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 Curebound'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 Curebound'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.

Aldrich CPAs + Advisors LLP

San Diego, California
May 7, 2026

CUREBOUND

Statements of Financial Position

December 31, 2025 and 2024

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 7,341,813	$ 9,536,017
Contributions receivable	73,468	-
Promises to give	3,127,832	3,488,187
Prepaid expenses and other assets	154,066	338,409
Total Current Assets	10,697,179	13,362,613
Noncurrent Assets:		
Promises to give, net of current	532,954	2,683,934
Operating lease right-of-use assets, net of accumulated amortization	612,167	360,530
Furniture and equipment, net of accumulated depreciation	15,515	33,806
Total Assets	$ 11,857,815	$ 16,440,883
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Grants payable	$ 1,237,579	$ 1,012,360
Accounts payable and accrued expenses	138,175	80,798
Accrued payroll	43,057	190,045
Current portion of operating lease liabilities	192,225	191,711
Deferred revenue	786,006	1,875,372
Total Current Liabilities	2,397,042	3,350,286
Noncurrent Liabilities:		
Operating lease liabilities, net of current portion	425,646	172,053
Total Liabilities	2,822,688	3,522,339
Net Assets:		
Without donor restrictions	5,374,341	6,746,423
With donor restrictions	3,660,786	6,172,121
Total Net Assets	9,035,127	12,918,544
Total Liabilities and Net Assets	$ 11,857,815	$ 16,440,883

See accompanying notes to financial statements.

CUREBOUND

Statement of Activities

Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Special events	$ 16,006,799	$ -	$ 16,006,799
Less direct expenses	(7,895,405)	-	(7,895,405)
Contributions	2,074,038	611,224	2,685,262
Investment income	343,112	-	343,112
Net assets released from restrictions, satisfaction of time restrictions	3,122,559	(3,122,559)	-
Total Support and Revenue	13,651,103	(2,511,335)	11,139,768
Expenses:			
Program services	11,714,338	-	11,714,338
Supporting services:			
Management and general	1,802,843	-	1,802,843
Fundraising	1,506,004	-	1,506,004
Total Expenses	15,023,185	-	15,023,185
Change in Net Assets	(1,372,082)	(2,511,335)	(3,883,417)
Net Assets, beginning of year	6,746,423	6,172,121	12,918,544
Net Assets, end of year	$ 5,374,341	$ 3,660,786	$ 9,035,127

CUREBOUND

Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	$ 1,954,680	$ 350,000	$ 2,304,680
Special events	3,624,612	-	3,624,612
Less direct expenses	(916,843)	-	(916,843)
Investment income	517,178	-	517,178
Net assets released from restrictions, satisfaction of time restrictions	4,048,376	(4,048,376)	-
Total Support and Revenue	9,228,003	(3,698,376)	5,529,627
Expenses:			
Program services	8,460,867	-	8,460,867
Supporting services:			
Management and general	1,533,158	-	1,533,158
Fundraising	796,265	-	796,265
Total Expenses	10,790,290	-	10,790,290
Change in Net Assets	(1,562,287)	(3,698,376)	(5,260,663)
Net Assets, beginning of year	8,308,710	9,870,497	18,179,207
Net Assets, end of year	$ 6,746,423	$ 6,172,121	$ 12,918,544

CUREBOUND

Statement of Functional Expenses

Year Ended December 31, 2025

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
Beneficiary grants	$ 10,238,599	$ -	$ -	$ 10,238,599
Participant direct expenses	141	-	3,911,938	3,912,079
Payroll and related liabilities	1,171,105	777,837	963,114	2,912,056
Equipment and venue rental	-	-	2,511,061	2,511,061
Contract services	190,375	343,765	618,735	1,152,875
Food and beverage	21,038	-	425,784	446,822
Occupancy	39,514	211,017	68,593	319,124
Advertising	-	21,165	295,623	316,788
Meetings and travel	-	150,913	81,371	232,284
IT and website maintenance	42,391	119,575	-	161,966
Credit card and bank fees	-	1,340	152,495	153,835
Insurance	-	52,546	95,098	147,644
Event supplies	-	496	141,992	142,488
Emergency response and traffic	-	-	76,995	76,995
Office	-	33,768	40,893	74,661
Staff development	11,175	41,147	-	52,322
Dues and subscriptions	-	30,983	17,717	48,700
Depreciation	-	18,291	-	18,291
	11,714,338	1,802,843	9,401,409	22,918,590
Other fundraising event expenses netted against fundraising events revenue	-	-	(7,895,405)	(7,895,405)
	$ 11,714,338	$ 1,802,843	$ 1,506,004	$ 15,023,185

CUREBOUND

Statement of Functional Expenses

Year Ended December 31, 2024

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Beneficiary grants	$ 7,083,484	$ -	$ -	$ 7,083,484
Payroll and related liabilities	975,918	495,167	629,819	2,100,904
Contract services	236,394	589,193	273,224	1,098,811
Equipment and venue rental	11,489	173	209,148	220,810
Occupancy	19,588	104,604	34,002	158,194
Participant direct expenses	4,637	-	137,767	142,404
IT and website maintenance	17,403	56,009	56,913	130,325
Credit card and bank fees	-	-	126,258	126,258
Bad debt	-	114,621	-	114,621
Advertising	12,630	7,732	72,041	92,403
Emergency response and traffic	-	-	84,721	84,721
Event supplies	37,690	-	40,414	78,104
Staff development	22,158	54,427	1,263	77,848
Dues and subscriptions	25,230	24,410	10,821	60,461
Meetings and travel	6,025	15,353	18,292	39,670
Insurance	-	35,178	-	35,178
Office	2,119	17,149	8,127	27,395
Depreciation	-	18,487	-	18,487
Food and beverage	6,102	655	10,298	17,055
	8,460,867	1,533,158	1,713,108	11,707,133
Other fundraising event expenses netted against fundraising events revenue	-	-	(916,843)	(916,843)
	$ 8,460,867	$ 1,533,158	$ 796,265	$ 10,790,290

CUREBOUND

Statements of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities:		
Change in net assets	$ (3,883,417)	$ (5,260,663)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	18,291	18,487
Non-cash operating lease expense	2,470	(1,639)
Changes in operating assets and liabilities:		
Contributions receivable	(73,468)	650,679
Promises to give, net	2,511,335	3,698,376
Prepaid expenses and other assets	184,343	(201,665)
Grants payable	225,219	(4,865,931)
Accounts payable and accrued expenses	57,377	(18,475)
Accrued payroll	(146,988)	141,225
Deferred revenue	(1,089,366)	1,712,619
Net Cash Used by Operating Activities	(2,194,204)	(4,126,987)
Cash and Cash Equivalents, beginning of year	9,536,017	13,663,004
Cash and Cash Equivalents, end of year	$ 7,341,813	$ 9,536,017
Non-Cash Investing and Financing Activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 443,549	$ 483,785

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities
Curebound (the Organization) is a nonprofit public benefit corporation incorporated in 2012 as Pedal the cause – San Diego. During 2021, the name was changed to Curebound. Curebound operates under the DBA Padres Pedal the Cause.

The Organization's mission is to provide funding for the best cancer research ideas in San Diego. All proceeds from Curebound stay in San Diego to fund innovative and collaborative cancer research among six world-class beneficiaries.

Financial Statement Presentation
The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which requires the Organization to report information regarding their financial positions and activities according to the following net asset classifications:

- 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 restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates
The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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

The three levels of the fair value hierarchy are described below:

> Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
>
> Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.
>
> Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The carrying value of cash and cash equivalents, receivables, and payables approximates fair value as of December 31, 2025 and 2024, due to the relative short maturities of these instruments.

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Cash and Cash Equivalents
The Organization considers all highly liquid investment instruments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents.

Promises to Give
Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The allowance for uncollectable promises to give is based on historical experience. Promises to give are written off when deemed uncollectable. As of December 31, 2025 and 2024, management determined that no allowance was necessary.

Property and Equipment
Acquisition of property and equipment over $1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

Grants Payable
Grants authorized by the Organization’s board of directors but not yet paid are reported as liabilities to be paid in future years.

Deferred Revenue
Fundraising amounts generated in advance of related events are recorded as advanced income received on the statements of financial position.

Revenue and Support
The Organization recognizes revenue in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services.

Revenues for the Organization primarily consist of contributions and special event revenues. Management has determined that fundraising amounts generated for events are most appropriately classified as conditional contributions, and therefore, revenue is recognized as conditions are met, which is typically when the event occurs.

Contributions and grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a 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 statements of activities as net assets released from restrictions.

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Advertising
Advertising costs are expensed as incurred. The Organization's advertising costs were $316,788 and $92,403 for the years ended December 31, 2025 and 2024, respectively.

Functional Expense Allocations
The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Leases
The Organization adheres to the accounting standard for leases, which provides detailed guidance for financial statement recognition, measurement, and disclosure of leases.

The Organization determines if an arrangement is or contains a lease at contract inception. The Organization recognizes a right-of-use asset and a lease liability at the lase commencement date. The lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. Key estimates and judgments include how the Organization determines the discount rate, the lease term, and the lease payments.

The exercise of lease renewal options is generally at the Organization's sole discretion. Options that are reasonably certain to be exercised, considering all relevant economic and financial factors, are included in the lease term. Leases with an initial term of 12 months or less are not recorded on the statements of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term. The Organization elected the package of practical expedients permitted under the transition guidance within the standard, which among other things, allow the Organization to carry forward the historical lease classification.

The Organization has elected the practical expedient to account for the lease and non-lease components as a single lease component (e.g. maintenance and operating services). Therefore, for those leases, the lease payment used to measure the lease liability include all of the fixed considerations in the contact. All variable payments not based on a market rate or an index are expensed as incurred.

When the discount rate implicit in a lease is not readily determinable, the Organization calculates the lease liability using the risk-free rate.

Income Taxes
The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization, however, may be subject to tax on income which is not related to its exempt purpose. For the years ended December 31, 2025 and 2024, no such unrelated business taxable income was reported and, therefore, no provision for income taxes has been made.

The Organization follows the provisions of uncertain tax positions as addressed in the Financial Accounting Standards Board (FASB) Accounting Standards Codification. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There were no amounts accrued in the financial statements related to uncertain tax positions for the years ended December 31, 2025 and 2024.

Subsequent Events
The Organization has evaluated subsequent events through May 7, 2026, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

The Organization’s financial assets available within one year of the statements of financial position date for general expenditures are as follows on December 31:

	2025	2024
Cash and cash equivalents	$ 7,341,813	$ 9,536,017
Contributions receivable	73,468	-
Promises to give, current	3,127,832	3,488,187
Financial assets available to meet cash needs for general expenditures within one year	$ 10,543,113	$ 13,024,204

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The amounts presented above have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the statement of financial position date.

Note 3 - Concentration of Credit Risk

Cash and Cash Equivalents
The Organization maintains cash and cash equivalents in bank deposit and investment accounts. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of $250,000. The Organization’s account balances may, at times, exceed the limits.

Note 4 - Promises to Give

Promises to give consist of the following at December 31:

	2025	2024
Due in less than one year	$ 3,142,891	$ 3,592,833
Due in one to five years	635,000	2,861,667
Gross pledges receivable	3,777,891	6,454,500
Less discount on pledges receivable	(117,105)	(282,379)
Pledges receivable, net of discount	3,660,786	6,172,121
Less current portion	(3,127,832)	(3,488,187)
Pledges receivable, net	$ 532,954	$ 2,683,934

Note 5 - Restrictions on Net Assets

Net assets with donor restrictions consist of the following at December 31:

	2025	2024
Purpose Restrictions:		
Cancer Research	$ -	$ 380,000
Time Restriction	3,660,786	5,792,121
	$ 3,660,786	$ 6,172,121

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31:

	2025	2024
Satisfaction of Purpose Restrictions:		
Cancer Research	$ 380,000	$ 280,000
Satisfaction of Time Restrictions	2,742,559	3,768,376
	$ 3,122,559	$ 4,048,376

Note 6 - Leasing Arrangements

The Organization has an operating lease of an office building under agreement with a contractual period of 3 years. The building is located in California. During the year, the Organization extended the lease for another 2 years. The lease agreement does not contain any material residual value guarantees.

The following summaries the operating leases as of December 31:

	2025	2024
Operating lease right-of-use assets	$ 612,167	$ 360,530
Current portion of operating lease liabilities	$ 192,225	$ 191,711
Operating lease liabilities, net of current portion	425,646	172,053
Total operating lease liabilities	$ 617,871	$ 363,764

The amounts contractually due on operating lease liabilities as of December 31, 2025 were as follows:

2026	$ 210,761
2027	217,084
2028	223,597
Total lease payments	651,442
Less interest	(33,571)
Present value of lease liabilities	$ 617,871

Note 6 - Leasing Arrangements, continued

The occupancy line item in the statements of functional expenses includes the $207,092 and $136,974 operating lease expense for the years ended December 31, 2025 and 2024, respectively.

Supplemental cash flow information related to leases for the years ended December 31 was as follows:

	2025	2024
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows from operating leases	$ 204,622	$ 117,023
Lease assets obtained in exchange for lease liabilities		
Operating leases	$ 443,549	$ 483,785

Supplemental statements of financial position information related to operating leases as of December 31 as follows:

	2025	2024
Weighted average remaining lease term - Operating leases	3.0	1.8
Weighted average discount rate - Operating leases	3.61%	4.96%