

CureSearch for Children's Cancer, Inc.
Financial Statements
December 31, 2025 with Summarized Comparative Totals
for 2024

CureSearch for Children’s Cancer, Inc.

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December 31, 2025 with Summarized Comparative Totals for 2024

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Independent Auditors' Report**To the Board of Directors of****CureSearch for Children's Cancer, Inc.*****Opinion***

We have audited the accompanying financial statements of CureSearch for Children's Cancer, Inc. ("CureSearch"), which comprise the statement of financial position as of December 31, 2025 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year ended December 31, 2025, 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 CureSearch as of December 31, 2025, and the results of its operations and 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CureSearch 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 these 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 CureSearch's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Other Matter

We previously audited the financial statements of CureSearch as of and for the year ended December 31, 2024, and our report dated August 12, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Exercise professional judgment and maintain professional skepticism throughout the audit.
2. 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.
3. 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 CureSearch's internal control. Accordingly, no such opinion is expressed.
4. 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.
5. Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CureSearch'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.



East Brunswick, New Jersey

June 23, 2026

CureSearch for Children's Cancer, Inc.
Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 1,297,032	\$ 1,658,750
Investments, at fair value	2,730,025	2,703,542
Investments held for perpetual endowment fund	1,500,000	1,500,000
Accounts receivable	93,905	104,591
Pledges receivable, net	785,951	1,231,358
Prepaid expenses	51,321	46,935
Total Assets	\$ 6,458,234	\$ 7,245,176
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 321,016	\$ 299,065
Deferred revenue	74,579	50,121
Total Liabilities	395,595	349,186
Net Assets		
Without donor restrictions	261,463	767,032
With donor restrictions	5,801,176	6,128,958
Total Net Assets	6,062,639	6,895,990
Total Liabilities and Net Assets	\$ 6,458,234	\$ 7,245,176

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

CureSearch for Children's Cancer, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended December 31, 2025 (With Summarized Comparative Totals for 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Special events, net	\$ 951,806	\$ 1,310,504	\$ 2,262,310	\$ 2,110,625
Contributions	1,297,889	546,533	1,844,422	1,894,330
Net investment return	126,603	324,689	451,292	343,232
Institutional grants and gifts	65,401	378,761	444,162	820,310
Non-monetary contributions	340,844	-	340,844	361,428
Donated financial assets	18,196	-	18,196	19,370
Other revenue	-	-	-	35,000
Net assets released from restrictions	2,888,269	(2,888,269)	-	-
Total Support and Revenue	5,689,008	(327,782)	5,361,226	5,584,295
Expenses				
Program services	4,489,713	-	4,489,713	4,806,855
Support services				
Fundraising	1,085,274	-	1,085,274	1,105,420
Management and general	619,590	-	619,590	555,444
Total Expenses	6,194,577	-	6,194,577	6,467,719
Changes in Net Assets	(505,569)	(327,782)	(833,351)	(883,424)
Net Assets - Beginning of Year	767,032	6,128,958	6,895,990	7,779,414
Net Assets - End of Year	\$ 261,463	\$ 5,801,176	\$ 6,062,639	\$ 6,895,990

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

CureSearch for Children's Cancer, Inc.
Statements of Functional Expenses
For the Year Ended December 31, 2025 (With Summarized Comparative Totals for 2024)

		Supporting Services			
	Program Services	Fundraising	Management and General	2025 Total Expenses	2024 Total Expenses
Personnel Expenses					
Salaries	\$ 1,217,960	\$ 621,335	\$ 323,071	\$ 2,162,366	\$ 2,104,334
Payroll taxes	81,857	41,759	21,713	145,329	137,256
Other fringe benefits	83,113	42,399	22,046	147,558	127,466
Pension	17,562	8,959	4,658	31,179	25,835
Other personnel expenses	14,957	7,630	3,967	26,554	18,401
Total Personnel Expenses	1,415,449	722,082	375,455	2,512,986	2,413,292
Other Expenses					
Program initiatives	2,664,218	-	-	2,664,218	3,080,429
Special events	-	174,422	-	174,422	177,122
Software licenses	90,519	46,177	24,010	160,706	161,519
Bank and merchant fees	-	113,169	7,430	120,599	101,635
Travel expenses	31,603	37,921	5,381	74,905	44,182
Business insurance	38,696	19,740	10,264	68,700	64,460
Accounting	-	-	63,964	63,964	46,731
Printing and postage	12,547	6,401	3,328	22,276	35,330
Public relations	19,006	5,481	4,909	29,396	28,678
Professional fees, other	19,839	10,120	5,262	35,221	20,967
Telecommunications	10,133	5,169	2,688	17,990	19,129
Information technology	11,187	5,707	2,968	19,862	17,928
Facility expenses	12,294	6,272	3,261	21,827	17,056
Registrations and permits	-	-	31,719	31,719	15,315
Dues and subscriptions	1,076	549	285	1,910	11,796
Legal	-	-	325	325	6,613
Miscellaneous	-	2,325	2,111	4,436	3,599
Office supplies	1,517	774	402	2,693	3,446
Meetings and conferences	-	-	-	-	14,727
Total Other Expenses	2,912,635	434,227	168,307	3,515,169	3,870,662

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

CureSearch for Children's Cancer, Inc.**Statements of Functional Expenses****For the Year Ended December 31, 2025 (With Summarized Comparative Totals for 2024)**

	Supporting Services			2025 Total Expenses	2024 Total Expenses
	Program Services	Fundraising	Management and General		
Non-Monetary Contributions					
Professional fees, other	110,144	56,189	29,216	195,549	157,731
Public relations	51,485	26,265	13,657	91,407	107,357
Legal	-	-	32,955	32,955	70,799
Special events	-	20,933	-	20,933	25,000
Total Non-Monetary Contributions	161,629	103,387	75,828	340,844	360,887
Less Special Event Expenses Included with Revenues on the Statements of Activities and Changes in Net Assets					
Cost of direct benefits to donors	-	(174,422)	-	(174,422)	(177,122)
Total Functional Expenses	<u>\$ 4,489,713</u>	<u>\$ 1,085,274</u>	<u>\$ 619,590</u>	<u>\$ 6,194,577</u>	<u>\$ 6,467,719</u>

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

CureSearch for Children's Cancer, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ (833,351)	\$ (883,424)
Adjustments to reconcile changes in net assets to net cash used in operating activities		
Net realized gain on investments	(322,764)	(2,603)
Net unrealized gain on investments	(28,189)	(252,650)
Donated stock contributions	(18,196)	(19,370)
Discount for net present value on long-term pledges receivable	(57,088)	-
Changes in operating assets and liabilities		
Accounts receivable	10,686	(23,953)
Pledges receivable, net	502,495	698,977
Prepaid expenses	(4,386)	(9,745)
Accounts payable and accrued expenses	21,951	135,826
Deferred revenue	24,458	(9,179)
Net Cash Flows Used In Operating Activities	(704,384)	(366,121)
Cash Flows from Investing Activities		
Proceeds from sales of investments	323,654	125,281
Purchases of investments	-	(315,000)
Net proceeds from sale of donated financial assets	19,012	19,733
Net Cash Flows Provided by (Used In) Investing Activities	342,666	(169,986)
Net Change in Cash	(361,718)	(536,107)
Cash - Beginning of Year	1,658,750	2,194,857
Cash - End of Year	\$ 1,297,032	\$ 1,658,750
Supplemental Disclosure of Cash Flow Information		
Non-monetary Contributions	\$ 340,844	\$ 360,887
Donated Financial Assets	\$ 18,196	\$ 19,370

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

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 1 Nature of Operations

CureSearch for Children's Cancer, Inc. ("CureSearch") is a nonprofit organization, incorporated under the laws of the State of California in 1987. CureSearch has been determined to be exempt from federal income taxes by Internal Revenue Service (IRS), pursuant to the provisions of the Internal Revenue Code (IRC) section 501(c)(3). CureSearch was previously known as the National Childhood Cancer Foundation.

CureSearch's mission is to fund and monitor targeted, innovative pediatric cancer research that achieves measurable results in an expedited timeframe. CureSearch supports research grants at all stages of the research continuum - basic science through Young Investigator Awards, translational research through Acceleration Initiative Awards, and clinical trials through Catapult Awards. CureSearch provides educational resources to parents and caregivers, including easy-to-understand information on diagnosis and treatment, educational videos, and an app to ease the caregiver process. CureSearch raises funds through individuals, corporations, private foundations, and special events.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America. Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

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 amounts of assets and liabilities, revenue and expenses and changes therein, and disclosures of contingent assets and contingent liabilities and accompanying notes. Actual results could differ from those estimates.

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 2 Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash is held in bank deposit accounts which, at times, may exceed federally insured limits. CureSearch classifies certain investments which are readily convertible to cash and which have an original maturity of three months or less, at issuance, as cash equivalents. Cash and highly liquid financial instruments restricted to the endowment fund are excluded from operating cash.

Pledges Receivable

Pledges receivable are stated at the amount management expects to collect from outstanding balances. CureSearch evaluated the applicability of the Current Expected Credit Losses (CECL) model under ASC 326 and concluded that its existing allowance methodology, based on historical collection experience and specific identification, is appropriate and reasonable given the nature and terms of its pledges receivable. Management has determined that all pledges receivable as of December 31, 2025 and 2024 are fully collectible and therefore, has not recorded an allowance for credit losses.

Investments

Investments are reported at fair value based on quoted market prices. Contributed marketable securities are valued at fair value based on average quoted market prices on the date of contribution. Net investment return (including realized and unrealized gains and losses on investments, interest and dividends, net of investment expenses) is included in net assets without donor restrictions, unless the income is restricted by the donor or by law.

Accrued Vacation

Employees are allowed to carry over a maximum of one and half times their annual vacation days to the following year at the employee's current hourly rate. Accrued vacation represents the liability for paid vacation but not used as of the end of December 31, 2025 and 2024. Accrued vacation for the years ended December 31, 2025 and 2024 totaled \$223,249 and \$209,458, respectively, which is included in accounts payable and accrued expenses on the statements of financial position.

Revenue Recognition

CureSearch derives revenue primarily from grants, contributions, special events and net investment income. Special events and investment income are recognized as revenue when earned. Unconditional contributions are recognized in the year the contributions are pledged and/or received. Conditional grants are earned and recognized as revenue in proportion to the related expenditures incurred or when all conditions of the grant have been substantially met. Grants and contributions earned but not yet received are recorded as contributions receivable. Grant proceeds received in advance and not yet earned are recorded as deferred revenue. Contributions received are recorded without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 2 Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing various programs and other support activities have been summarized on a functional basis and by natural classification in the statements of functional expenses. Costs that can be identified with specific programs or support services are allocated directly. Costs that cannot be specifically identified with a particular function and that benefit more than one functional category are allocated based on estimates such as time and effort or other criteria.

Advertising

Advertising costs are charged to operations when incurred. CureSearch had no significant direct-response advertising. Advertising expense for the years ended December 31, 2025 and 2024 totaled \$102,264 and \$111,938, respectively, which is included in public relations on the statements of functional expenses.

Income Taxes

CureSearch is an organization described under Section 501(c)(3) of the Internal Revenue Code (the "IRC" or "Code") and is generally not subject to income taxes except on net income from unrelated business activities. CureSearch has evaluated its activities and determined that it had no unrelated business income subject to federal or state income tax for the years ended December 31, 2025 and 2024.

CureSearch follows the provisions of FASB ASC 740, *Income Taxes*. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition related to those tax positions. CureSearch is registered to solicit charitable contributions in multiple states and files annual registration renewals as required by those jurisdictions.

CureSearch believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. There are no income tax related penalties or interest included in these financial statements. CureSearch's federal exempt information returns are subject to examination by the IRS, generally for a period of three years after the returns are filed.

Summarized Comparative Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional category. Such information does not include sufficient detail to constitute a full presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2024, from which the summarized information was derived.

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 2 Summary of Significant Accounting Policies (Continued)

Subsequent Events

CureSearch has evaluated subsequent events and transactions for potential recognition or disclosure through the date of the auditors' report, which is the date the financial statements were available to be issued (see Note 16).

Note 3 Liquidity and Availability of Funds

A summary of the financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date comprises the following:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 1,297,032	\$ 1,658,750
Accounts receivable	93,905	104,591
Pledges receivable, net	785,951	1,231,358
Investments	<u>2,730,025</u>	<u>2,703,542</u>
 Total financial assets at year-end	 \$ 4,906,913	 \$ 5,698,241
Investments held for perpetual endowment fund	(1,500,000)	(1,500,000)
Pledges receivable due in more than one year	<u>-</u>	<u>(500,000)</u>
 Subtotal	 (1,500,000)	 (2,000,000)
 Total financial assets available for general expenditures within one year	 <u>\$ 3,406,913</u>	 <u>\$ 3,698,241</u>

As part of CureSearch's liquidity management plan, CureSearch invests cash in excess of daily requirements in short-term investments and money market funds. Additionally, CureSearch has available a line of credit in the amount of \$300,000, which it could draw upon to help manage unanticipated liquidity needs (See Note 6).

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 4 Investments

The investment portfolio summary as of December 31, 2025 and 2024 is as follows:

	2025		2024	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Corporate bonds	\$ 1,398,269	\$ 1,385,742	\$ 1,432,567	\$ 1,492,883
Exchange traded funds, equity	1,892,652	797,025	1,919,019	746,866
Exchange traded funds, fixed income	673,146	671,360	281,577	303,875
U.S. government obligations	<u>265,958</u>	<u>262,727</u>	<u>570,379</u>	<u>576,239</u>
Total	\$ 4,230,025	\$ 3,116,854	\$ 4,203,542	\$ 3,119,863
Less: endowment funds	<u>(1,500,000)</u>	<u>-</u>	<u>(1,500,000)</u>	<u>-</u>
Total investments	<u>\$ 2,730,025</u>	<u>\$ 3,116,854</u>	<u>\$ 2,703,542</u>	<u>\$ 3,119,863</u>

Net investment returns for the years ended December 31, 2025 and 2024 consisted of the following:

	2025			2024		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and dividend income	\$ 55,426	\$ 66,685	\$ 122,111	\$ 54,370	\$ 53,803	\$ 108,173
Net realized gains (losses) on investments	(707)	322,655	321,948	-	2,603	2,603
Net unrealized gains on investments	79,843	(51,654)	28,189	3,033	253,549	256,582
Net gains (losses) on sales of donated stock	816	-	816	(3,933)	-	(3,933)
Investment expenses	<u>(8,775)</u>	<u>(12,997)</u>	<u>(21,772)</u>	<u>(7,931)</u>	<u>(12,263)</u>	<u>(20,194)</u>
Net investment return	<u>\$ 126,603</u>	<u>\$ 324,689</u>	<u>\$ 451,292</u>	<u>\$ 45,539</u>	<u>\$ 297,692</u>	<u>\$ 343,231</u>

Note 5 Fair Value Measurement

Generally Accepted Accounting Principles (GAAP) establishes a framework for measuring fair value. The 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 as follows:

Level 1 - inputs to the valuation methodology are unadjusted quoted prices 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;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liabilities' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

In determining the appropriate levels, CureSearch performs a detailed analysis of the assets and liabilities that are subject to fair value measurements.

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 5 Fair Value Measurement (Continued)

The tables below present the assets measured at fair value on a recurring basis by level within the hierarchy:

<u>December 31, 2025</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Corporate bonds	\$ 1,398,269	\$ -	\$ 1,398,269	\$ -
Exchange traded funds, equity	1,892,652	1,892,652	-	-
Exchange traded funds, fixed income	673,146	673,146	-	-
U.S. government obligations	<u>265,958</u>	<u>-</u>	<u>265,958</u>	<u>-</u>
Total	<u>\$ 4,230,025</u>	<u>\$ 2,565,798</u>	<u>\$ 1,664,227</u>	<u>\$ -</u>

<u>December 31, 2024</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Corporate bonds	\$ 1,432,567	\$ -	\$ 1,432,567	\$ -
Exchange traded funds, equity	1,919,019	1,919,019	-	-
Exchange traded funds, fixed income	281,577	281,577	-	-
U.S. government obligations	<u>570,379</u>	<u>-</u>	<u>570,379</u>	<u>-</u>
Total	<u>\$ 4,203,542</u>	<u>\$ 2,200,596</u>	<u>\$ 2,002,946</u>	<u>\$ -</u>

Note 6 Line of Credit

In May 2020, CureSearch entered into a line-of-credit agreement with Atlantic Union Bank, allowing for borrowings up to \$300,000 to be used to fund operating needs. The line of credit was renewed in October 2024 and matures in September 2027. The interest rate is to be equal to the bank's prime rate plus 1.25%. At December 31, 2025 and 2024, the interest rate was 8.00% and 8.75%, respectively. The line of credit is secured by substantially all of CureSearch's assets. There was no outstanding balance on the line of credit at December 31, 2025 and 2024.

Note 7 Non-Monetary Contributions and Related Party Transactions

Donated professional fees, public relations, legal, and special events are recorded at their estimated fair value, typically provided by the service provider, on the date of receipt and are reported as support without donor restrictions unless donors specify how donated assets must be used. These non-monetary contributions have been recorded as revenue in the accompanying financial statements.

CureSearch for Children's Cancer, Inc.
Notes to the Financial Statements
December 31, 2025 with Summarized Comparative Totals for 2024

Note 7 Non-Monetary Contributions and Related Party Transactions (Continued)

CureSearch received donated public relations to be used for general advertising. Donated services are valued based upon the fair market value for similar advertising services. Donated services are valued based upon the fair market value of the airline tickets. CureSearch received legal and professional services for review of contracts and other legal documents. Donated services are valued based upon donor provided billing rates. CureSearch received donated goods for one of their special events. Donated items are valued based upon the fair market value for similar items. CureSearch received donated airline tickets to be used for staff travel in the prior year and were valued based upon the fair market value of the airline tickets. There were no donor-imposed restrictions associated with non-monetary contributions.

The non-monetary contributions are included in their respective nature classification on the statements of functional expenses.

During the years ended December 31, 2025 and 2024, CureSearch received services from a family member of a key member of management. The related party provided legal services totaling \$32,400 and \$30,000 for the years ended December 31, 2025 and 2024.

Note 8 Net Assets with Donor Restrictions

CureSearch has several restricted funds, some which may be expended but only for the purpose established by the respective donors and others which cannot be expended except for the net investment returns earned on those funds. Net assets with donor restrictions were available for the following purposes as of December 31, 2025:

	Current Year Activity				
	<u>2024</u>	<u>Contributions</u>	<u>Net Investment Return</u>	<u>Released from Restrictions</u>	<u>2025</u>
Subject to expenditure for a specified purpose:					
Acceleration initiative	\$ 20,127	\$ 135,000	\$ -	\$ (70,000)	\$ 85,127
Young investigators	40,057	43,704	-	(37,500)	46,261
Education and resources	30,092	1,070	-	-	31,162
Other research	<u>4,538,682</u>	<u>2,056,024</u>	<u>324,689</u>	<u>(2,780,769)</u>	<u>4,138,626</u>
Total	<u>\$ 4,628,958</u>	<u>\$ 2,235,798</u>	<u>\$ 324,689</u>	<u>\$(2,888,269)</u>	<u>\$ 4,301,176</u>

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Note 8 Net Assets with Donor Restrictions (Continued)

Net assets with donor restrictions were available for the following purposes as of December 31, 2024:

	Current Year Activity				
	<u>2023</u>	<u>Contributions</u>	<u>Net Investment Return</u>	<u>Released from Restrictions</u>	<u>2024</u>
Subject to expenditure for a specified purpose:					
Acceleration initiative	\$ 135,127	\$ 710,310	\$ -	\$ (825,310)	\$ 20,127
Young investigators	54,110	60,000	-	(74,053)	40,057
Education and resources	30,092	-	-	-	30,092
Other research	<u>4,517,842</u>	<u>1,649,481</u>	<u>297,692</u>	<u>(1,926,333)</u>	<u>4,538,682</u>
Total	<u>\$ 4,737,171</u>	<u>\$ 2,419,791</u>	<u>\$ 297,692</u>	<u>\$(2,825,696)</u>	<u>\$ 4,628,958</u>

Note 9 Endowment Fund

Corn Fund

CureSearch's endowment consists of the Corn Fund, which was established by The Lovick P. and Elizabeth T. Corn Fund of the Bradley-Turner Foundation and the Beloco Fund. This fund was established to fund research by physicians/scientists on the faculty of the Section of Pediatric Hematology/Oncology at the Medical College of Georgia. Specific research and projects to be funded are determined by a Scientific Review Panel, as defined in an agreement on an annual basis. Based on the occurrence of certain circumstances, as defined in the agreement, the awards can be made to physicians/scientists at other similar tax exempt entities. Expenses incurred by CureSearch to administer the endowment fund may be reimbursed from investment income, up to a maximum of 5% of the current year investment income. The accumulated net earnings are recorded as net assets with donor restrictions until they are released per spend policy.

CureSearch follows the guidance that was enacted in the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). CureSearch has interpreted UPMIFA as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, CureSearch 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, and (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.

Note 9 Endowment Fund (Continued)

The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions that are perpetual in nature is classified as net assets with donor restrictions that are temporary in nature until those amounts are appropriated for expenditure by CureSearch in a manner consistent with the standard of prudence prescribed by UPMIFA.

CureSearch considers the following factors in making a determination to appropriate or accumulate 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 CureSearch
- (7) the investment policies of CureSearch

Investment Return Objectives, Risk Parameters and Strategies

CureSearch has adopted investment and spending policies, approved by the Board of directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of not more than 5%, while growing the funds if possible. Therefore, CureSearch expects its endowment assets, over time, to produce an average annual rate of return that is higher than the inflation rate in order to maintain the purchasing power of the endowment funds. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy

CureSearch has a policy of appropriating for distribution each year not more than 5% of a three-year average of the endowment fund's fair value. In establishing this policy, CureSearch considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. CureSearch's objective is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

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Note 9 Endowment Fund (Continued)

Changes in endowment assets are as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Endowment net assets at January 1	\$ 2,572,172	\$ 2,374,480
Unrealized gain (loss) on investments	(51,654)	253,549
Realized gain on investments	322,655	2,603
Investment income, net of fees	53,688	41,540
Amounts appropriated for expenditures	<u>(100,000)</u>	<u>(100,000)</u>
Endowment net assets at December 31	<u>\$ 2,796,861</u>	<u>\$ 2,572,172</u>

As of December 31, 2025 and 2024, the corpus of the endowment fund totaled \$1,500,000, with accumulated investment income of \$1,296,861 and \$1,072,172, respectively, reflected within net asset with donor restrictions.

Note 10 Pension Plan

CureSearch sponsors an IRC 401(k) defined contribution retirement plan which covers all employees. Under the terms of this plan, participating employees may elect to contribute pre-tax dollars or Roth deferrals into the plan not to exceed the maximum contribution allowable under applicable provisions of the IRC. CureSearch may make a discretionary matching contribution on behalf of the participants who have at least one year of service, including a minimum of 500 hours. Contributions made by CureSearch to this plan for the year ended December 31, 2025 and 2024 were \$31,179 and \$25,835, respectively.

Note 11 Program Initiative Commitments

As of December 31, 2025 and 2024, CureSearch has outstanding conditional program initiative commitments to be made totaling \$3,193,410 and \$4,527,627, respectively. Program initiative payments are subject to the fulfilment of certain conditions, as defined in the respective grant agreements.

Future expected conditional program initiative payments for each of the years ending December 31 are as follows:

2026	\$ 2,017,385
2027	971,859
2028	<u>204,166</u>
Total	<u>\$ 3,193,410</u>

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Note 12 Pledges Receivable

Pledges receivable consist of the following at December 31:

	<u>2025</u>	<u>2024</u>
One year or less	\$ 785,951	\$ 788,446
Two years	<u>-</u>	<u>500,000</u>
Total	785,951	1,288,446
Discount on pledges receivable	<u>-</u>	<u>(57,088)</u>
Pledges receivable, net	<u>\$ 785,951</u>	<u>\$ 1,231,358</u>

Calculation of discount on pledges receivable reflects the present value of long term receivables at December 31, 2025 and 2024. All receivables are expected to be collected.

Note 13 Special Events

CureSearch held several special events during the years ended December 31, 2025 and 2024 as follows:

	<u>2025</u>	<u>2024</u>
Gross revenue	\$ 2,462,587	\$ 2,326,269
Less: Direct costs of donor benefits	<u>(174,422)</u>	<u>(177,122)</u>
Net revenue, net of direct costs of donor benefits	2,288,165	2,149,147
Other special events cost	<u>(25,855)</u>	<u>(38,522)</u>
Special events, net	<u>\$ 2,262,310</u>	<u>\$ 2,110,625</u>

Note 14 Concentration Risks

Investment Risk

CureSearch invests in a professionally managed portfolio that may contain corporate bonds, mutual funds, money market funds and other investments. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

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Note 14 Concentration Risks (Continued)

Contributions Risk

Funding for CureSearch comes from private grants, fundraising, donations, and other sources. During the year ended December 31, 2025, approximately 22% of total funding came from two donors. As of December 31, 2025, approximately 89% of the pledges receivable was due from three donors.

During the year ended December 31, 2024, there were no funding concentrations. As of December 31, 2024, approximately 94% of the pledges receivable was due from two donors.

Grant Recipients Risk

During the year ended December 31, 2025, approximately 43% of expenses were paid to three research institutions. During the year ended December 31, 2024, approximately 24% of expenses were paid to one research institute.

Note 15 Risks and Uncertainties

CureSearch's operations and financial results are subject to various risks and uncertainties. CureSearch does not receive government funding and relies primarily on private contributions, foundation support, and revenue from special events to fund its programs and services. CureSearch's ability to sustain funding is dependent on continued donor engagement and the successful execution of fundraising events. Broader economic factors, including inflationary pressures, rising costs, and market volatility, may influence donor capacity and philanthropic priorities. In addition, although CureSearch is not directly funded by government agencies, changes in federal policies - particularly those affecting charitable giving incentives, tax regulations, or nonprofit sector oversight - could indirectly impact donor behavior and foundation grantmaking strategies. Management continuously monitors these developments and evaluates potential impacts to ensure CureSearch can adapt operationally and financially as needed.

Note 16 Subsequent Event

Subsequent to year end, CureSearch initiated a new program under which it will award Community Impact Awards over a three-year period beginning in 2026. The awards are intended to support pediatric cancer research through grants to hospitals and other qualifying organizations. Each award covers a one-year period and is granted upon approval of an application submitted by the awardee. During 2026, Community Impact Awards totaling approximately \$126,000 were approved and disbursed to award recipients between January 2026 and April 2026.