

National Breast Cancer Foundation, Inc.

**Financial Statements
June 30, 2025 and 2024**



National Breast Cancer Foundation, Inc.

Contents

Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9



Independent Auditors' Report

Board of Directors of
National Breast Cancer Foundation, Inc.

Opinion

We have audited the accompanying financial statements of National Breast Cancer Foundation, Inc. (a nonprofit organization), (Organization) which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 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 (GAAP).

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Organization 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 the financial statements in accordance with GAAP, 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 Organization'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 GAAS 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 GAAS, 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 Organization'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 Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.



A Limited Liability Partnership

Arlington, Texas
September 24, 2025

National Breast Cancer Foundation, Inc.
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 13,188,482	\$ 10,895,643
Contributions receivable	2,514,333	2,516,292
Royalties receivable	221,189	525,554
Other receivables	31,495	1,558
Prepaid expenses	522,058	294,794
Donated inventory	1,471,560	1,029,416
Investments	7,422,850	6,585,796
Property and equipment, net	84,229	86,806
Right-of-use assets - operating leases, net	880,102	1,034,925
Total assets	\$ 26,336,298	\$ 22,970,784
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 394,185	\$ 214,827
Deferred revenue	41,310	48,971
Right-of-use liabilities - operating leases	933,590	1,074,232
Total liabilities	1,369,085	\$1,338,030
Net assets:		
Without donor restrictions	22,203,049	18,854,163
With donor restrictions	2,764,164	2,778,591
Total net assets	24,967,213	21,632,754
Total liabilities and net assets	\$ 26,336,298	\$ 22,970,784

See notes to financial statements.

National Breast Cancer Foundation, Inc.
Statement of Activities
Year Ended June 30, 2025

	Without Donor	With Donor Restrictions	Total
Revenue and support:			
Contributions of cash, financial assets and royalties	\$ 9,194,773	\$ 66,566	\$ 9,261,339
Grants	8,189,714	-	8,189,714
Contributions of nonfinancial assets	8,235,482	3,380,684	11,616,166
Investment income, net	1,311,998	-	1,311,998
Special events, net of direct costs of \$38,715	26,948	-	26,948
Other income	113,305	-	113,305
Net assets released from restrictions	3,461,677	(3,461,677)	-
Total revenue and support	30,533,897	(14,427)	30,519,470
Expenses:			
Program services:			
Patient services	6,721,083	-	6,721,083
Education and outreach	5,599,085	-	5,599,085
Survivor support	9,976,764	-	9,976,764
Total program services	22,296,932	-	22,296,932
Supporting services:			
Management and general	2,633,866	-	2,633,866
Fundraising	2,254,213	-	2,254,213
Total supporting services	4,888,079	-	4,888,079
Total operating expenses	27,185,011	-	27,185,011
Change in net assets	3,348,886	(14,427)	3,334,459
Net assets at beginning of year	18,854,163	2,778,591	21,632,754
Net assets at end of year	<u>\$ 22,203,049</u>	<u>\$ 2,764,164</u>	<u>\$ 24,967,213</u>

See notes to financial statements.

National Breast Cancer Foundation, Inc.
Statement of Activities
Year Ended June 30, 2024

	Without Donor	With Donor Restrictions	Total
Revenue and support:			
Contributions of cash, financial assets and royalties	\$ 9,658,522	\$ 155,250	\$ 9,813,772
Grants	10,165,206	-	10,165,206
Contributions of nonfinancial assets	10,027,025	3,906,033	13,933,058
Investment income, net	1,207,964	-	1,207,964
Special events, net of direct costs of \$18,450	(810)	-	(810)
Other income	100,878	-	100,878
Net assets released from restrictions	2,169,680	(2,169,680)	-
Total revenue and support	33,328,465	1,891,603	35,220,068
Expenses:			
Program services:			
Patient services	7,051,360	-	7,051,360
Education and outreach	10,619,724	-	10,619,724
Survivor support	5,321,940	-	5,321,940
Total program services	22,993,024	-	22,993,024
Supporting services:			
Management and general	2,706,395	-	2,706,395
Fundraising	2,017,146	-	2,017,146
Total supporting services	4,723,541	-	4,723,541
Total operating expenses	27,716,565	-	27,716,565
Change in net assets	5,611,900	1,891,603	7,503,503
Net assets at beginning of year	13,242,263	886,988	14,129,251
Net assets at end of year	<u>\$ 18,854,163</u>	<u>\$ 2,778,591</u>	<u>\$ 21,632,754</u>

See notes to financial statements.

National Breast Cancer Foundation, Inc.
Statement of Functional Expenses
Year Ended June 30, 2025

	Program Services				Supporting Services			
	Patient Services	Education and Outreach	Survivor Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Programmatic grants	\$ 5,803,000	\$ 108,000	\$ 1,169,514	\$ 7,080,514	\$ -	\$ -	\$ -	\$ 7,080,514
Donated goods, media and other	2,063	3,833,865	6,789,673	10,625,601	36,775	246,971	283,746	10,909,347
Salaries and benefits	771,521	964,401	1,350,161	3,086,083	1,784,723	1,501,090	3,285,813	6,371,896
Professional and outside services	21,457	278,214	54,200	353,871	185,011	97,367	282,378	636,249
Office expense	63,787	102,668	503,732	670,187	198,297	83,038	281,335	951,522
General and administrative	44,626	82,229	45,257	172,112	367,687	238,270	605,957	778,069
Sales and marketing	4,698	209,110	37,395	251,203	40,089	64,222	104,311	355,514
Travel	9,931	20,598	26,832	57,361	21,284	23,077	44,361	101,722
Special events	-	-	-	-	-	38,893	38,893	38,893
Total expense by function	\$ 6,721,083	\$ 5,599,085	\$ 9,976,764	\$22,296,932	\$ 2,633,866	\$ 2,292,928	\$ 4,926,794	\$27,223,726
Less: expenses included with revenues on the statement of activities -								
Direct costs of special events	-	-	-	-	-	(38,715)	(38,715)	(38,715)
Total expenses included in the operating expense section on the statement of activities	<u>\$ 6,721,083</u>	<u>\$ 5,599,085</u>	<u>\$ 9,976,764</u>	<u>\$22,296,932</u>	<u>\$ 2,633,866</u>	<u>\$ 2,254,213</u>	<u>\$ 4,888,079</u>	<u>\$27,185,011</u>

See notes to financial statements.

National Breast Cancer Foundation, Inc.
Statement of Functional Expenses
Year Ended June 30, 2024

	Program Services				Supporting Services			
	Patient Services	Education and Outreach	Survivor Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Programmatic grants	\$ 6,482,418	\$ 110,000	\$ 623,221	\$ 7,215,639	\$ -	\$ -	\$ -	\$ 7,215,639
Donated goods, media and other	56	8,774,388	2,938,964	11,713,408	45,520	193,592	239,112	11,952,520
Salaries and benefits	446,679	1,117,503	1,116,966	2,681,148	1,898,316	1,303,602	3,201,918	5,883,066
Professional and outside services	33,252	95,896	167,520	296,668	180,847	79,121	259,968	556,636
Office expense	37,449	180,323	379,985	597,757	178,045	72,834	250,879	848,636
General and administrative	33,911	96,411	47,254	177,576	338,867	250,774	589,641	767,217
Sales and marketing	5,152	209,052	28,121	242,325	44,645	85,862	130,507	372,832
Travel	12,443	36,151	19,909	68,503	20,155	31,290	51,445	119,948
Special events	-	-	-	-	-	18,521	18,521	18,521
Total expense by function	\$ 7,051,360	\$10,619,724	\$ 5,321,940	\$22,993,024	\$ 2,706,395	\$ 2,035,596	\$ 4,741,991	\$27,735,015
Less: expenses included with revenues on the statement of activities -								
Direct costs of special events	-	-	-	-	-	(18,450)	(18,450)	(18,450)
Total expenses included in the operating expense section on the statement of activities	<u>\$ 7,051,360</u>	<u>\$10,619,724</u>	<u>\$ 5,321,940</u>	<u>\$22,993,024</u>	<u>\$ 2,706,395</u>	<u>\$ 2,017,146</u>	<u>\$ 4,723,541</u>	<u>\$27,716,565</u>

See notes to financial statements.

National Breast Cancer Foundation, Inc.
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 3,334,459	\$ 7,503,503
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization of right-of-use assets - operating leases	386,213	330,750
Depreciation and amortization	40,134	43,648
Donated stock and cryptocurrency	(5,989)	(293,398)
Realized investment gain	(1,229)	(55,392)
Unrealized investment gain	(523,646)	(551,696)
Changes in assets and liabilities:		
Contributions receivable	1,960	(1,292,186)
Royalties receivable	304,365	176,406
Other receivables	(29,937)	234
Prepaid expenses	(227,264)	6,743
Donated inventory	(442,144)	(914,566)
Accounts payable and accrued expenses	179,358	(47,810)
Deferred revenue	(7,661)	48,946
Right-of-use liabilities - operating leases	(372,033)	(332,799)
Net cash provided by operating activities	2,636,586	4,622,383
Cash flows from investing activities:		
Purchases of property and equipment	(37,557)	(40,807)
Proceeds from sales of investments	1,978	606,640
Purchases of investments	(308,168)	(442,079)
Net cash used by investing activities	(343,747)	123,754
Change in cash and cash equivalents	2,292,839	4,746,137
Cash and cash equivalents at beginning of year	10,895,643	6,149,506
Cash and cash equivalents at end of year	\$ 13,188,482	\$ 10,895,643
Supplemental cash flow information:		
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 231,390	\$ -
Noncash investing activities:		
Donated stock and cryptocurrency	\$ 5,989	\$ 293,398

See notes to financial statements.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

1. Organization

The National Breast Cancer Foundation, Inc. (Organization) was incorporated April 25, 1991 as a Texas nonprofit corporation to save lives through early detection and to provide mammograms for those in need. The Organization's stated mission is: "Helping women now. Providing help and inspiring hope to those affected by breast cancer through early detection, education and support services." The Organization is primarily supported by contributions from individuals and other organizations.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Organization prepares the financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board of directors approved spending policy. As of June 30, 2025 and 2024, no such net asset restrictions existed.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less.

Investments

Investments in marketable securities are stated at fair value. Realized and unrealized gains and losses, as well as related investment income, are reflected in the statements of activities.

Contributions and Royalties Receivable

All contributions and royalties receivables are expected to be collected in a term of less than one year. Based on management's assessment of collectability, no allowance for doubtful accounts has been recorded as of June 30, 2025 and 2024.

Inventory

The Organization maintains inventory consisting of different program products and awareness items for distribution. The majority of this inventory is donated and is accounted for on the first-in, first-out method based on the original cost, if purchased, or estimated fair value, if donated.

Property and Equipment

Property and equipment purchased by the Organization are recorded at cost or if acquired by gift, at the fair value at the date of the gift. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000; the fair value of donated fixed assets is similarly capitalized. Depreciation is calculated using the straight-line method based upon the estimated useful lives of 3 to 10 years, except for leasehold improvements which are amortized over the lesser of the useful life of the asset or the term of the lease.

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

Grants Payable

Grant expense is recognized in the period the grant is approved by management, provided the grant is not subject to significant future conditions. Conditional grants are recognized as grant expense and as grant payable in the period in which the grantee meets the terms of the conditions. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments. At June 30, 2025 and 2024, there were no grants payable.

Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give 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. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Donated materials are reflected as contributions at their estimated fair values at date of receipt. The Organization recognizes contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization enters into licensing agreements with sponsors, whereby it grants the sponsor use of its name and logo. Where these agreements provide for a guaranteed minimum royalty over the term of the agreement, the Organization recognizes the minimum royalty per the licensing agreement at the time of the contract and once assets have been released for use. Additional income is recognized when received at a point in time. Where these agreements do not provide for a guaranteed minimum royalty, income is recognized when received at a point in time.

Functional Expenses

The costs of providing the programs and supporting activities have been summarized on a functional basis in the financial statements. Costs are allocated between program services and support services based on management's judgment considering space used, time spent or direct relation to the program or support service benefited. Costs specifically identifiable to only one function are charged 100% to that function. Expenses not directly chargeable to one functional category are allocated based upon percentage of time, purpose, or square footage.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

Estimates

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

Income Taxes

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. The Organization did not have a material unrelated business income tax liability as of June 30, 2025 and 2024. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

3. Investments

The Organization records financial instruments at estimated fair value. Fair value accounting defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

- | | |
|---------|---|
| Level 1 | Quoted prices in active markets for identical assets or liabilities as of the reporting date; |
| Level 2 | Observable inputs other than Level 1 prices, such as quoted prices in active markets for similar assets or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets; |
| Level 3 | Unobservable inputs that are supported by little or no market activity and the reporting entity makes estimates or assumptions related to the pricing of the asset or liability including assumptions regarding risk. |

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

Mutual funds

Valued at the net asset value (NAV) of shares held by the Organization at year end. The NAV is a quoted price in an active market.

Stocks

Valued at the closing price reported on the active market on which the individual securities are traded.

Exchange-Traded Funds

Exchange-traded funds traded on a national securities exchange are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. The investments held by the Organization are measured using Level 1 inputs.

The following table sets forth the Organization's investments at cost and fair value as of June 30:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Large cap mutual funds	\$ 2,625,733	\$ 3,237,168	\$ 2,398,726	\$ 2,827,500
Fixed income mutual funds	1,608,495	1,493,524	1,527,470	1,373,504
Stocks and ETFs	1,937,169	2,692,158	1,935,292	2,384,792
Total investments	<u>\$ 6,171,397</u>	<u>\$ 7,422,850</u>	<u>\$ 5,861,488</u>	<u>\$ 6,585,796</u>

Net investment returns consist of the following for the years ended June 30:

	2025	2024
Interest and dividend income	\$ 872,229	\$ 659,272
Realized gains on investments	1,229	55,392
Unrealized gains on investments	523,646	551,696
Investment fees	<u>(85,106)</u>	<u>(58,396)</u>
	<u>\$ 1,311,998</u>	<u>\$ 1,207,964</u>

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

4. Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 100,712	\$ 102,675
Software	317,707	317,707
Computer equipment	332,260	321,901
Production equipment	211,746	203,224
Office equipment	75,805	81,142
Leasehold improvements	88,038	85,408
Construction in progress	<u>7,815</u>	<u>-</u>
	1,134,083	1,112,057
Less accumulated depreciation and amortization	<u>(1,049,854)</u>	<u>(1,025,251)</u>
Total property and equipment, net	<u>\$ 84,229</u>	<u>\$ 86,806</u>

Depreciation and amortization expense for the years ended June 30, 2025 and 2024 totaled \$40,134 and \$43,648, respectively.

National Breast Cancer Foundation, Inc.
Notes to Financial Statements

5. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of amounts restricted by donors for the following purposes at June 30:

	2025	2024
Patient Point	\$ 1,088,001	\$ 1,465,126
HOPE Kits	1,404,738	1,058,927
Military Patient Relief	94,989	100,000
Outreach Events	11,841	93,217
Outreach Mobile Unit	25,000	25,000
NBCF Store	10,408	9,848
Education and Outreach	52,476	7,357
Volunteers	7,450	5,530
Health Kits	-	577
Patient Services	1,375	12,900
Metastatic Retreat	65,976	-
Research	65	-
Fundraising	1,845	-
Community Ambassadors	-	109
	<u>\$ 2,764,164</u>	<u>\$ 2,778,591</u>

6. Contributions of Nonfinancial Assets

The Organization received the following contributions of nonfinancial assets during the year ended June 30, 2025:

	Program Services	Management and General	Fundraising	Inventory	Total
Goods	\$ 8,245,018	\$ -	\$ 56,356	\$ 1,010,785	\$ 9,312,159
Services	-	152,300	-	-	152,300
Media	2,179,016	-	-	-	2,179,016
	<u>\$ 10,424,034</u>	<u>\$ 152,300</u>	<u>\$ 56,356</u>	<u>\$ 1,010,785</u>	<u>\$ 11,643,475</u>

Included in the fundraising amount above is \$27,309 of nonfinancial contributions related to special events, which is shown in special event revenue on the accompanying statement of activities.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

The Organization received the following contributions of nonfinancial assets during the year ended June 30, 2024:

	Program Services	Management and General	Fundraising	Inventory	Total
Goods	\$ 6,557,316	\$ -	\$ 20,591	\$ 56,248	\$ 6,634,155
Services	-	32,045	-	-	32,045
Media	7,275,214	-	-	-	7,275,214
	<u>\$ 13,832,530</u>	<u>\$ 32,045</u>	<u>\$ 20,591</u>	<u>\$ 56,248</u>	<u>\$ 13,941,414</u>

Included in the fundraising amount above is \$8,356 of nonfinancial contributions related to special events, which is shown in special event revenue on the accompanying statement of activities.

Goods

Contributed goods are reported at fair value using retail prices or fair value information obtained from the donor. If fair market value information is unavailable, value is calculated using retail value obtained from suppliers having comparable goods.

Services

Contributed services are valued and reported at the standard invoice rate offered by the donor.

Media

Donated media services are valued proportionally to the amount of media exposure received as a result of the gift using rates for comparable services. Thorough details are provided by the donor.

During the years ended June 30, 2025 and 2024, \$1,101,467 and \$877,070, respectively, of donated goods were restricted by the donor for use in HOPE Kits. During the year ended June 30, 2025 and 2024, the Organization received \$27,309 and \$8,346, respectively, of donated goods related to special events with no restrictions. During the years ended June 30, 2025 and 2024, the Organization received donated media with implied time restrictions totaling, \$2,176,002 and \$2,930,253, respectively.

7. Retirement Programs

The Organization sponsors a variable deferred compensation plan administered by a national insurance company. The plan allows for a discretionary employer contribution with certain limits. The Organization also sponsors a 401(k) plan with an employer match of employee contributions not to exceed four percent of the employee's annual compensation. During the years ended June 30, 2025 and 2024, the Organization contributed \$154,517 and \$233,085, respectively, to the plans.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

8. Leases

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right-of-use (ROU) assets and lease liabilities for office space and equipment. The Organization has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Organization uses the incremental borrowing rate or the risk-free rate based on the information available at the commencement date to determine the present value of lease payments. Risk-free rates used to determine the present value of lease payments was derived by reference to the interest paid on short-term government debt.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term. The Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

Nature of Leases

The Organization leases its office space and certain equipment under four operating lease agreements. The leases expire at various dates through 2028. Future minimum lease payments and reconciliations to the statement of financial position are as follows for the years ending June 30:

2026	\$ 491,717
2027	457,402
2028	<u>11,415</u>
Total future undiscounted lease payments	\$ 960,534
Less present value discount	<u>(26,944)</u>
Lease liabilities	<u><u>933,590</u></u>

The following is the lease cost and other required information for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Total operating lease cost	<u>\$ 415,334</u>	<u>\$ 364,854</u>
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	<u>\$ (372,033)</u>	<u>\$ (332,799)</u>
Right-of-use assets obtained in exchange for new lease liabilities	<u>\$ 231,390</u>	<u>\$ -</u>
Weighted-average remaining lease term:		
Operating leases	<u>1.95 years</u>	<u>2.96 years</u>
Weighted-average discount rate:		
Operating leases	<u>3.32%</u>	<u>2.79%</u>

9. Concentrations and Credit and Market Risk

Financial instruments which are potentially subject to concentrations of credit and market risk consist principally of cash and cash equivalents, investments, and royalties and contributions receivable. Cash and cash equivalents are placed with high credit quality financial institutions, which at times may exceed federally insured limits. At June 30, 2025, cash balances exceeded federally insured limits by \$3,044,427. The Organization has not experienced any loss on such accounts.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

Investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these instruments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Organization. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes. At June 30, 2025 and 2024, three investment funds account for 82% and 87% of total investments, respectively.

Three sponsors accounted for approximately 67% and 72% of the total royalties receivable balance at June 30, 2025 and 2024, respectively.

The balance due from two pledges totaled approximately 90% and 72% of total contributions receivable at June 30, 2025 and June 30, 2024, respectively.

During the year ended June 30, 2025, the Organization received approximately 97% of total grants from one donor.

10. Related Party Transactions

During the years ended June 30, 2025 and 2024, the Organization awarded Patient Relief and Patient Navigator Program Grants in the amounts of \$200,000 and \$292,418, respectively, to a hospital for which a member of the board of directors is also a director.

During the years ended June 30, 2025 and 2024, the Organization received donations consisting of financial and nonfinancial assets from employees and board members totaling \$7,265 and \$2,769, respectively.

During the years ended June 30, 2025 and 2024, the Organization engaged in a partnership with another organization offering outreach services totaling \$8,000 and \$110,000, respectively. The president of the partnering organization is a member of the board of directors.

The Chief Executive Officer and Chief Operating Officer/President for the Organization are related. Management believes the terms of the related party transactions for employment are more favorable to the Organization than could be attained from non-affiliated parties.

National Breast Cancer Foundation, Inc.

Notes to Financial Statements

11. Liquidity and Availability of Resources

The Organization's financial assets available for general expenditure within one year of the statement of financial position date are as follows at June 30:

	2025	2024
Cash and cash equivalents	\$ 13,188,482	\$ 10,895,643
Investments	7,422,850	6,585,796
Contributions receivable	2,514,333	2,516,292
Royalties receivable	221,189	525,554
Other receivables	31,495	1,558
Total financial assets available to meet cash needs for general expenditures within one year	23,378,349	20,524,843
Less amounts not available for general expenditures within one year:		
Contributions receivable of nonfinancial assets	(2,492,739)	(2,524,053)
Restricted by donors for specified purposes	(271,425)	(254,538)
Total financial assets not available for general expenditures within one year	(2,764,164)	(2,778,591)
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 20,614,185</u>	<u>\$ 17,746,252</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide future continuity and financial stability with the ability to draw upon in the event of an unanticipated liquidity need. The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 30 days operating expenses. To achieve these targets, the Organization forecasts its future cash flows and monitors its reserves and liquidity weekly. During the years ended June 30, 2025 and 2024, the level of liquidity and reserves was managed within the policy requirements.

12. Subsequent Events

Management has evaluated subsequent events through, September 24, 2025, the date the financial statements were available to be issued and concluded that no additional disclosures are required.