

**AMERICAN ASSOCIATION FOR CANCER RESEARCH, INC.  
AND AFFILIATES  
Consolidated Financial Statements  
December 31, 2024 and 2023  
With Independent Auditor's Report**

**American Association for Cancer Research, Inc. and Affiliates**  
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**December 31, 2024 and 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
American Association for Cancer Research, Inc.:

### Opinion

We have audited the consolidated financial statements of the American Association for Cancer Research, Inc. and Affiliates (nonprofit organizations), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of the American Association for Cancer Research, Inc. and Affiliates as of December 31, 2024, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the American Association for Cancer Research, Inc. and Affiliates 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.

### Other Matter

The financial statements of the American Association for Cancer Research, Inc. and Affiliates as of and for the year ended December 31, 2023 were audited by BBD, LLP, who joined WithumSmith + Brown, PC on April 1, 2024 and expressed an unmodified opinion on these statements dated May 30, 2024.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the American Association for Cancer Research, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 consolidated 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 consolidated 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 consolidated 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 American Association for Cancer Research, Inc. and Affiliates' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the American Association for Cancer Research, Inc. and Affiliates' 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 handwritten signature in blue ink that reads 'Withum Smith & Brown, PC'.

June 11, 2025

**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statements of Financial Position**  
**December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 34,558,253	\$ 12,757,287
Accounts receivable	3,172,254	2,413,507
Contributions and grants receivable	22,519,695	22,605,183
Prepaid expenses and other	3,191,445	4,519,799
Investments	207,102,968	188,309,852
Property and equipment (net of accumulated depreciation of \$3,082,629 in 2024 and \$4,675,842 in 2023)	65,266	154,051
Operating lease right-of-use-assets	<u>16,557,433</u>	<u>5,135,483</u>
 Total assets	 <u>\$ 287,167,314</u>	 <u>\$ 235,895,162</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 11,715,334	\$ 10,218,567
Grants payable	15,033,325	20,502,827
Deferred income	23,272,063	28,940,684
Operating leases liability	<u>16,957,480</u>	<u>5,746,601</u>
Total liabilities	<u>66,978,202</u>	<u>65,408,679</u>
<b>Net assets</b>		
Without donor restrictions		
Undesignated	140,541,584	89,936,339
Board designated	<u>64,224,493</u>	<u>63,217,347</u>
	204,766,077	153,153,686
With donor restrictions	<u>15,423,035</u>	<u>17,332,797</u>
Total net assets	<u>220,189,112</u>	<u>170,486,483</u>
 Total liabilities and net assets	 <u>\$ 287,167,314</u>	 <u>\$ 235,895,162</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2024 with Summarized Comparative Totals for 2023**

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
<b>Revenue</b>				
Membership dues	\$ 4,257,392	\$ -	\$ 4,257,392	\$ 4,356,722
Meetings and educational workshops	33,718,908	-	33,718,908	32,287,777
Publications	19,623,098	-	19,623,098	19,336,217
Scientific initiatives	10,388,651	-	10,388,651	2,413,006
Endowment distribution	173,268	(57,074)	116,194	102,806
Other	551,850	-	551,850	611,226
Total revenue	68,713,167	(57,074)	68,656,093	59,107,754
<b>Support</b>				
Contributions and grants	44,777,860	6,843,337	51,621,197	18,441,574
Net assets released from restrictions	8,996,111	(8,996,111)	-	-
Total revenue and support	122,487,138	(2,209,848)	120,277,290	77,549,328
<b>Expenses</b>				
Program services				
Research grants and scientific awards	14,700,817	-	14,700,817	17,164,046
Meetings and educational workshops	24,519,657	-	24,519,657	22,002,518
Publications	13,312,612	-	13,312,612	13,385,685
Communications, science policy and public education	10,171,393	-	10,171,393	9,172,662
Scientific programs	13,675,074	-	13,675,074	8,403,300
Total program services	76,379,553	-	76,379,553	70,128,211
Supporting services				
Membership development and services	3,635,801	-	3,635,801	2,720,881
General and administrative	6,727,212	-	6,727,212	5,740,366
Fundraising	5,306,283	-	5,306,283	4,666,962
Total supporting services	15,669,296	-	15,669,296	13,128,209
Total expenses	92,048,849	-	92,048,849	83,256,420
Change in net assets before other changes	30,438,289	(2,209,848)	28,228,441	(5,707,092)
<b>Other changes</b>				
Investment income, net	21,174,102	300,086	21,474,188	24,060,893
Return of undistributed pledges	-	-	-	(148,760)
Total other changes	21,174,102	300,086	21,474,188	23,912,133
Change in net assets	51,612,391	(1,909,762)	49,702,629	18,205,041
<b>Net assets</b>				
Beginning of year	153,153,686	17,332,797	170,486,483	152,281,442
End of year	\$ 204,766,077	\$ 15,423,035	\$ 220,189,112	\$ 170,486,483

The Notes to Consolidated Financial Statements are an integral part of these statements.

**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue</b>			
Membership dues	\$ 4,356,722	\$ -	\$ 4,356,722
Meetings and educational workshops	32,287,777	-	32,287,777
Publications	19,336,217	-	19,336,217
Scientific initiatives	2,413,006	-	2,413,006
Endowment distribution	294,303	(191,497)	102,806
Other	613,786	(2,560)	611,226
Total revenue	<u>59,301,811</u>	<u>(194,057)</u>	<u>59,107,754</u>
<b>Support</b>			
Contributions and grants	<u>11,682,080</u>	<u>6,759,494</u>	<u>18,441,574</u>
Net assets released from restrictions	<u>13,578,108</u>	<u>(13,578,108)</u>	<u>-</u>
Total revenue and support	<u>84,561,999</u>	<u>(7,012,671)</u>	<u>77,549,328</u>
<b>Expenses</b>			
Program services			
Research grants and scientific awards	17,164,046	-	17,164,046
Meetings and educational workshops	22,002,518	-	22,002,518
Publications	13,385,685	-	13,385,685
Communications, science policy and public education	9,172,662	-	9,172,662
Scientific programs	<u>8,403,300</u>	<u>-</u>	<u>8,403,300</u>
Total program services	<u>70,128,211</u>	<u>-</u>	<u>70,128,211</u>
Supporting services			
Membership development and services	2,720,881	-	2,720,881
General and administrative	5,740,366	-	5,740,366
Fundraising	<u>4,666,962</u>	<u>-</u>	<u>4,666,962</u>
Total supporting services	<u>13,128,209</u>	<u>-</u>	<u>13,128,209</u>
Total expenses	<u>83,256,420</u>	<u>-</u>	<u>83,256,420</u>
Change in net assets before other changes	<u>1,305,579</u>	<u>(7,012,671)</u>	<u>(5,707,092)</u>
<b>Other changes</b>			
Investment income, net	23,605,237	455,656	24,060,893
Return of undistributed pledges	<u>-</u>	<u>(148,760)</u>	<u>(148,760)</u>
Total other changes	<u>23,605,237</u>	<u>306,896</u>	<u>23,912,133</u>
Change in net assets	<u>24,910,816</u>	<u>(6,705,775)</u>	<u>18,205,041</u>
<b>Net assets</b>			
Beginning of year	<u>128,242,870</u>	<u>24,038,572</u>	<u>152,281,442</u>
End of year	<u>\$ 153,153,686</u>	<u>\$ 17,332,797</u>	<u>\$ 170,486,483</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statement of Functional Expenses**  
**Year Ended December 31, 2024 with Summarized Comparative Totals for 2023**

	Program Services					Supporting Services			Totals	
	Research Grants and Scientific Awards	Meetings and Educational Workshops	Publications	Communications, Science Policy and Public Education	Scientific Programs	Membership Development and Services	General and Administrative	Fundraising	2024	2023
Salaries and fringe benefits	\$ 2,238,778	\$ 6,677,379	\$ 8,198,398	\$ 6,110,010	\$ 3,767,749	\$ 2,273,088	\$ 4,352,616	\$ 3,369,357	\$ 36,987,375	\$ 32,360,739
Audio-visual services	355,149	4,733,727	35,339	89,477	450,366	67,108	77,843	90,017	5,899,026	5,144,112
Commercial exhibits	-	748,741	-	-	-	-	-	-	748,741	585,336
Computer programming and maintenance	204,609	680,882	481,008	371,114	238,441	126,931	398,155	122,639	2,623,779	2,076,220
Credit card fees	-	904,728	200,240	484	-	104,470	2,243	42,519	1,254,684	1,201,386
Depreciation	2,499	9,324	9,217	6,832	4,472	2,335	65,368	3,777	103,824	207,657
Dues and subscriptions	1,838	12,581	16,342	183,578	15,427	4,520	18,198	46,225	298,709	238,024
Duplication, printing and supplies	35,958	94,683	36,758	117,717	39,052	56,962	32,153	30,994	444,277	486,477
Grants and awards	10,633,753	378,200	-	-	198,172	-	-	-	11,210,125	13,561,946
Honoraria	20,554	408,200	667,410	20,000	8,650	-	-	-	1,124,814	1,164,329
Hotel lodging and facilities rental	227,422	2,556,647	27,217	109,941	156,625	58,480	56,449	65,749	3,258,530	2,994,332
Insurance	8,645	193,378	31,871	23,626	15,461	8,075	13,600	11,985	306,641	282,482
Lease expense	163,073	505,578	669,488	483,155	299,004	102,899	113,240	96,798	2,433,235	2,586,795
Marketing and branding	12,336	891,700	263,671	1,175,046	85,170	160,990	286,414	585,636	3,460,963	3,604,210
Meetings and receptions	559,426	2,552,397	32,187	246,636	462,166	174,478	87,338	188,864	4,303,492	4,326,473
Miscellaneous	10,226	150,060	48,630	20,958	28,521	8,186	227,236	19,394	513,211	423,914
On-site transportation	-	1,084,963	-	11,478	-	-	7,705	-	1,104,146	921,952
Postage and freight	8,531	106,452	7,786	122,981	11,795	135,643	21,017	10,287	424,492	310,951
Printing and production	-	110,502	1,714,476	271,458	-	26,143	-	-	2,122,579	2,949,049
Professional fees	22,996	302,668	654,062	531,840	7,638,157	246,209	793,602	496,708	10,686,242	5,214,791
Telecommunications	17,487	57,034	64,610	75,811	32,136	17,958	42,984	24,269	332,289	309,822
Temporary personnel	-	102,964	-	-	-	-	63,587	-	166,551	185,662
Travel, speakers and staff	171,288	1,236,482	130,865	182,173	212,533	55,489	54,618	92,402	2,135,850	2,002,035
Utilities and building maintenance	6,249	20,387	23,037	17,078	11,177	5,837	12,846	8,663	105,274	117,726
	<u>\$ 14,700,817</u>	<u>\$ 24,519,657</u>	<u>\$ 13,312,612</u>	<u>\$ 10,171,393</u>	<u>\$ 13,675,074</u>	<u>\$ 3,635,801</u>	<u>\$ 6,727,212</u>	<u>\$ 5,306,283</u>	<u>\$ 92,048,849</u>	<u>\$ 83,256,420</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.



**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statement of Functional Expenses**  
**Year Ended December 31, 2023**

	Program Services					Supporting Services			Total
	Research Grants and Scientific Awards	Meetings and Educational Workshops	Publications	Communications, Science Policy and Public Education	Scientific Programs	Membership Development and Services	General and Administrative	Fundraising	
Salaries and fringe benefits	\$ 2,042,027	\$ 5,758,676	\$ 7,774,002	\$ 5,369,187	\$ 3,257,117	\$ 1,710,318	\$ 3,412,700	\$ 3,036,712	\$ 32,360,739
Audio-visual services	301,240	4,181,909	29,659	81,254	386,100	82,084	26,277	55,589	5,144,112
Commercial exhibits	-	585,336	-	-	-	-	-	-	585,336
Computer programming and maintenance	198,770	564,390	371,299	275,814	187,110	81,271	264,181	133,385	2,076,220
Credit card fees	782	858,554	193,208	282	18	102,072	5,937	40,533	1,201,386
Depreciation	7,260	25,948	31,423	22,328	16,168	6,716	86,353	11,461	207,657
Dues and subscriptions	1,639	101	11,755	166,750	11,593	3,010	29,427	13,749	238,024
Duplication, printing and supplies	49,262	128,722	29,125	83,607	40,350	96,246	34,195	24,970	486,477
Grants and awards	13,107,510	319,700	-	-	134,736	-	-	-	13,561,946
Honoraria	120,250	379,029	657,500	-	7,550	-	-	-	1,164,329
Hotel lodging and facilities rental	200,330	2,339,697	29,118	82,004	211,038	44,260	37,454	50,431	2,994,332
Insurance	8,196	162,418	35,472	25,203	18,191	7,581	13,549	11,872	282,482
Lease expense	139,013	499,665	646,805	568,037	293,614	131,168	103,132	205,361	2,586,795
Marketing and branding	17,748	830,424	293,902	1,181,331	83,484	161,038	331,873	704,410	3,604,210
Meetings and receptions	711,947	2,532,315	27,197	200,903	484,879	138,292	45,799	185,141	4,326,473
Miscellaneous	21,930	76,928	51,959	18,973	33,467	4,174	201,531	14,952	423,914
On-site transportation	-	881,427	-	17,415	-	9,120	-	13,990	921,952
Postage and freight	16,360	72,392	9,751	84,719	13,110	91,776	15,891	6,952	310,951
Printing and production	-	181,415	2,475,408	284,162	-	8,064	-	-	2,949,049
Professional fees	42,973	271,055	494,166	490,967	2,922,332	5,906	921,940	65,452	5,214,791
Telecommunications	14,711	52,264	63,493	72,302	32,710	13,597	39,478	21,267	309,822
Temporary personnel	-	81,772	-	-	43,082	-	60,808	-	185,662
Travel, speakers and staff	155,767	1,196,252	133,047	127,957	212,448	18,333	96,666	61,565	2,002,035
Utilities and building maintenance	6,331	22,129	27,396	19,467	14,203	5,855	13,175	9,170	117,726
	<u>\$ 17,164,046</u>	<u>\$ 22,002,518</u>	<u>\$ 13,385,685</u>	<u>\$ 9,172,662</u>	<u>\$ 8,403,300</u>	<u>\$ 2,720,881</u>	<u>\$ 5,740,366</u>	<u>\$ 4,666,962</u>	<u>\$ 83,256,420</u>

The Notes to Consolidated Financial Statements are an integral part of this statement.

**American Association for Cancer Research, Inc. and Affiliates**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Change in net assets	\$ 49,702,629	\$ 18,205,041
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net realized (gain) loss on sale of investments	(17,100,856)	3,556,609
Net unrealized gain on investments	(1,996,278)	(26,112,462)
Depreciation	103,824	207,657
Contributions restricted for long-term purposes	(8,000)	(8,000)
Return of undistributed pledges	-	148,760
Amortization of operating lease right-to-use asset	2,226,705	2,090,691
Change in operating assets and liabilities		
Accounts receivable	(758,747)	826,570
Contributions and grants receivable	85,488	10,993,310
Prepaid expenses and other	1,328,354	(2,206,609)
Accounts payable and accrued expenses	1,496,767	(756,104)
Grants payable	(5,469,502)	(9,289,479)
Deferred revenue	(5,668,621)	5,382,001
Operating leases liability	(2,437,776)	(2,263,756)
Net cash provided by operating activities	<u>21,503,987</u>	<u>774,229</u>
<b>Investing activities</b>		
Purchase of investments	(76,161,909)	56,441,908
Proceeds from sale of investments	76,465,927	(61,040,427)
Acquisition of property and equipment	(15,039)	(123,761)
Net cash provided by (used in) investing activities	<u>288,979</u>	<u>(4,722,280)</u>
<b>Financing activities</b>		
Contributions and grants received for endowment purposes	8,000	8,000
Net cash provided by financing activities	<u>8,000</u>	<u>8,000</u>
Net change in cash and cash equivalents	21,800,966	(3,940,051)
<b>Cash and cash equivalents</b>		
Beginning of year	<u>12,757,287</u>	<u>16,697,338</u>
End of year	<u>\$ 34,558,253</u>	<u>\$ 12,757,287</u>
<b>Supplemental disclosure of cash flow information</b>		
Operating right-of-use asset and liability recognized	<u>\$ 13,648,655</u>	<u>\$ -</u>

The Notes to Consolidated Financial Statements are an integral part of these statements.

**American Association for Cancer Research, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 and 2023**

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**1. PRINCIPALS OF CONSOLIDATION AND NATURE OF OPERATIONS**

The consolidated financial statements include the accounts of the American Association for Cancer Research, Inc. (the “AACR”), the American Association for Cancer Research Foundation (the “AACR Foundation”) and AACR International – Canada (collectively, the “Association”). All significant intercompany accounts and transactions have been eliminated in consolidation. The AACR Foundation and AACR International – Canada are collectively referred to as “Affiliates”.

The AACR is a not-for-profit corporation incorporated in New York with headquarters located in Pennsylvania. The mission of the AACR is to prevent and cure all cancers through research, education, communication and collaboration. Through its programs and services, the AACR fosters research in cancer and related biomedical science; accelerates the dissemination of new research findings among scientists and others dedicated to the conquest of cancer; promotes science education and training; and advances the understanding of cancer etiology, prevention, diagnosis and treatment throughout the world.

The AACR Foundation is a Pennsylvania nonprofit corporation. The AACR is the sole member of the AACR Foundation. The purpose of the AACR Foundation is to raise funds and solicit grants and contributions to benefit, support and promote the AACR’s mission as described in the preceding paragraph.

AACR International – Canada was established in 2014 as a Canadian not-for-profit corporation and received its charity status in 2015. It is a subsidiary of the AACR. Its purpose is to promote health by supporting, managing and conducting new and innovative research for the cure, prevention and treatment of cancer, and by fostering collaboration amongst scientists engaged in cancer research. It intends to advance education by developing and operating programs, conferences, seminars and workshops designed to train students and scientists and advance their understanding of cancer etiology, prevention, diagnosis and treatment.

Association programs and activities include:

**Research Grants and Scientific Awards**

- The AACR provides critical research funding for cancer researchers, both domestically and internationally, to support every stage of their careers with fellowships, career development awards, independent investigator grants and team science grants. Through its grants and awards, the AACR helps to sustain a robust cancer workforce and high-quality cancer research to understand, prevent, detect and treat cancer.

**Meetings and Educational Workshops**

- The AACR convenes topical scientific conferences, workshops and an annual meeting that combined draw more than 36,000 participants from the cancer research community. Through these meetings the AACR educates a global audience on the latest findings in cancer research.

**Publications**

- The AACR publishes a portfolio of ten highly rated peer-reviewed journals that present leading research articles. Our scientific breadth and excellence continue to attract the premier researchers in the field. More than 25,000 pages of peer reviewed, original cancer research are published through the AACR journals annually.

**Communications, Science Policy and Public Education**

- The AACR collaborates with cancer survivors, raises public awareness of the progress in and cause for hope in cancer research, advocates for strong federal research funding and publishes Cancer Today for cancer patients, survivors and caregivers.

**American Association for Cancer Research, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 and 2023**

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Scientific Programs

- The AACR provides for the professional development of underrepresented populations in the cancer research community and convenes groundbreaking collaborations through its think tanks, task forces and scientific advisory committees.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). As a result, revenues are recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation**

The AACR and Affiliates report information regarding its financial position and activities according to the following classes of net assets:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions.

**Net assets with donor restrictions:** Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of the AACR and Affiliates and/or the passage of time. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Also included in this category are net assets subject to donor-imposed restrictions that require the net assets to be maintained indefinitely while permitting the AACR and Affiliates to expend the income generated in accordance with the provisions of the contribution.

**Measure of Operations**

The consolidated statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. The AACR and Affiliates include in its measure of operations all revenues and expenses that are integral to its program services and supporting services. The measure of operations excludes non-operating activities, which are limited primarily to returns from investments and other activities considered to be of a non-operating nature.

**Estimates**

The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the disclosure of contingent assets and liabilities, as well as the reported amounts of revenues and expenses during the reported period. Actual results could vary from those estimates. Significant estimates include the net realizable value of accounts and contributions and grants receivable, the fair value of investments and the allocation of functional expenses.

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**Fair Value Measurements of Assets and Liabilities**

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the AACR and Affiliates. Unobservable inputs reflect the AACR and Affiliates' assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

*Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the AACR and Affiliates has the ability to access.

*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 and Inputs that are derived principally from 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. The AACR and Affiliates had no assets or liabilities valued using Level 2 inputs as of December 31, 2024 and 2023.

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The AACR and Affiliates had no assets or liabilities valued using Level 2 inputs as of December 31, 2024 and 2023

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

*Common Stocks, Mutual Funds and Exchange Traded Funds:* Valued at quoted prices for identical assets or liabilities in active markets that the AACR and Affiliates has the ability to access. These are classified as Level 1.

*Alternative Investments:* Valued at net asset value which is based on its ownership interest in the funds (Notes 3 and 16). These are excluded from the fair value hierarchy.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the AACR and Affiliates believes its valuation methods are appropriate and consistent, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Cash and Cash Equivalents**

Cash equivalents include short-term, highly liquid investments with a maturity date of three months or less on the date of acquisition.

**Accounts Receivable**

Accounts receivable represent unsecured noninterest bearing obligations and are carried at original invoice amounts less an estimate made for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for credit losses by identifying troubled accounts and performing a historical and future looking analysis. Receivables are written off when deemed uncollectible. Any uncollectible amounts would not be material to the financial statements. Accounts receivable totaled \$2,413,507 and \$3,204,077 as of January 1, 2024 and 2023, respectively.

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**Contributions and Grants Receivable**

The AACR and Affiliates record unconditional contributions and grants receivable that are expected to be collected within one year at net realizable value. Contributions and grants receivable with expected collection past one year are recorded at net present value using risk-free rates applicable to the years in which the promises are received. The AACR and Affiliates monitors the collectability of these receivables and an allowance for uncollectable promises to give is recorded based on historical experience, an assessment of economic conditions, and a review of subsequent collections (see Note 3).

**Investments and Investment Income**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, as determined by quoted market prices, with gains and losses included in the consolidated statements of activities. Dividend and interest income is recorded as earned in the consolidated statements of activities.

The AACR and Affiliates invests in a professionally managed portfolio that contains various types of securities (Note 4). Such investments are exposed to market and credit risks. 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 the amounts reported in the consolidated financial statements could change materially in the near term.

**Property and Equipment**

Property and equipment are carried at cost, if purchased, and at the fair value at the date of donation if donated. Depreciation is computed over 3-5 years on the straight-line method over the estimated useful lives of the assets.

**Impairment of Long-Lived Assets**

The AACR and Affiliates reviews its long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. During the years ended December 31, 2024 and 2023, there was no impairment losses recognized for long-lived assets.

**Leases**

Operating leases are recorded as right-of-use assets and lease liabilities in the statements of financial position in accordance with of ASU 2016-02, Leases (Topic 842). The Association categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow the Association to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with a term of twelve months or less are not included on the statement of financial position and are accounted for as an expense in the consolidated statements of activities as rental payments are incurred. The Association had no finance leases during the fiscal years ended December 31, 2024 and 2023.

Operating lease assets represent the AACR and Affiliates' right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The AACR and Affiliates uses the implicit rate when readily determinable. When the lease does not provide an implicit rate, the AACR and Affiliates uses a secured borrowing rate based on the information available at commencement date in determining the present value of lease payments.

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The AACR and Affiliates' lease terms may include options to extend if the option is considered reasonably certain to be exercised. Operating lease expense for lease payments are recognized on a straight-line basis over the lease term.

**Revenue Recognition**

The AACR and Affiliates accounts for revenue from contracts with customers as exchange transactions in the consolidated statements of activities as revenue without donor restrictions.

In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under its agreements, the AACR and Affiliates performs the following steps in accordance with Topic 606: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the AACR and Affiliates' satisfies each performance obligation.

Membership dues are invoiced based on fixed rate schedules at the beginning of the membership year, which creates a deferred revenue balance upon collection. Revenue from membership dues is recognized as revenue over time on a pro rata basis over the membership year as the membership benefits are provided.

Meetings and educational workshop fees are based on published fixed rates and collected either at the time of registration, in advance of the meeting resulting in a deferred revenue balance or at the time the meeting takes place and immediately recognized as revenue. Meetings and educational workshop revenues are recognized as revenue at the point in time the meetings are conducted.

Publication fees are fixed at the time of purchase based on price listings or negotiated rates. Customers can pay at the time of purchase or are invoiced for purchases. Subscription revenue from publications is recognized in the period that the publication is delivered to the customer or over time on a pro rata basis that a customer may access the resource depending on the type of publication. Author publication fees are recognized as revenue at the point in time the manuscript is accepted for publication.

Scientific initiatives revenue is recognized as revenue at the point in time that the service is provided.

The following table provides information about significant changes in the deferred revenue for the year ended December 31, 2024:

	<b>Membership Dues</b>	<b>Meetings and Educational Workshops</b>	<b>Publications</b>	<b>Scientific Initiatives</b>	<b>Other</b>	<b>Total</b>
Beginning of year	\$ (1,859,833)	\$ (12,201,399)	\$ (3,479,452)	\$ (11,400,000)	\$ -	\$ (28,940,684)
Revenue recognized	1,859,833	12,201,399	3,479,452	9,777,923	-	27,318,607
Deferred revenue	<u>(1,742,295)</u>	<u>(10,210,742)</u>	<u>(3,658,164)</u>	<u>(6,024,675)</u>	<u>(14,110)</u>	<u>(21,649,986)</u>
End of year	<u>\$ (1,742,295)</u>	<u>\$ (10,210,742)</u>	<u>\$ (3,658,164)</u>	<u>\$ (7,646,752)</u>	<u>\$ (14,110)</u>	<u>\$ (23,272,063)</u>

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The following table provides information about significant changes in the deferred revenue for the year ended December 31, 2023:

	<b>Membership Dues</b>	<b>Meetings and Educational Workshops</b>	<b>Publications</b>	<b>Scientific Initiatives</b>	<b>Other</b>	<b>Total</b>
Beginning of year	\$ (1,637,625)	\$ (8,568,645)	\$ (5,509,373)	\$ (7,800,000)	\$ (43,040)	\$ (23,558,683)
Revenue recognized	1,637,625	8,568,645	5,509,373	1,800,000	43,040	17,558,683
Deferred revenue	<u>(1,859,833)</u>	<u>(12,201,399)</u>	<u>(3,479,452)</u>	<u>(5,400,000)</u>	<u>-</u>	<u>(22,940,684)</u>
End of year	<u>\$ (1,859,833)</u>	<u>\$ (12,201,399)</u>	<u>\$ (3,479,452)</u>	<u>\$ (11,400,000)</u>	<u>\$ -</u>	<u>\$ (28,940,684)</u>

Deferred revenue at December 31, 2024 is expected to be recognized as revenue during 2025.

**Contributions and Grants**

Contributions and grants received are recorded as net assets without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donor restricted contributions and grants whose restrictions are satisfied in the same period are report as net assets without donor restrictions.

Unconditional contributions and grants are recognized when the related promise to give is received. Conditional contributions and grants, that is, those with a measurable performance or other measurable barrier, and a right of return or release, are not recognized in revenue until the conditions on which they depend have been substantially met.

**Grants Payable**

Unconditional grants made are recognized as expenses when the related promise to give is made. Conditional grants made are recognized as expenses when the conditions are satisfied. The conditional grants payable were \$3,000,000 and \$0 at December 31, 2024 and 2023, respectively.

**Functional Allocation of Expenses**

The costs of providing various program and supporting services have been presented on a functional basis in the consolidated statements of activities and detailed within the consolidated statements of functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and fringe benefits which are allocated based on estimates of time and effort.

**Income Tax Status**

The AACR and AACR Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organizations' tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organizations qualify for the charitable contribution deduction under Section 170(b)(1)(A) and the AACR and AACR Foundation have been classified as organizations other than a private foundation under Section 509(a)(2) and 509(a)(3), respectively.

AACR International – Canada was established in 2014 as a Canadian not for profit corporation and received its charity status in 2015. It is a wholly owned subsidiary of the AACR.

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain tax positions. GAAP prescribes a minimum threshold that a tax position is required to meet in order to be recognized in the financial statements. The AACR and Affiliates believe that they had no uncertain tax positions as defined in GAAP.



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**Concentration of Credit Risk**

The AACR and Affiliates has significant cash and money market fund balances at financial institutions which throughout the year regularly exceed the amounts insured by either the Federal Deposit Insurance Corporation for up to \$250,000 or the Securities Investor Protection Corporation. Any loss incurred or lack of access to such funds could have a significant adverse impact on AACR and Affiliates' financial condition, change in net assets, and cash flows.

**Concentration of Revenue and Support**

Contributions from one donor comprised 26% of total revenue and support for 2024. Any significant reduction in the level of support from the donor could have an effect on the Association's programs.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**3. CONTRIBUTIONS AND GRANTS RECEIVABLE**

Contributions and grants receivable are dues as follows at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Less than one year	\$ 18,410,811	\$ 18,094,499
One to five years	<u>4,503,884</u>	<u>4,905,684</u>
	22,914,695	23,000,183
Less: Discount to net present value (4%)	(355,000)	(355,000)
Less: allowance for uncollectible contributions receivable	<u>(40,000)</u>	<u>(40,000)</u>
	<u>\$ 22,519,695</u>	<u>\$ 22,605,183</u>

**4. INVESTMENTS**

Investments consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Money market funds	\$ 101,268,269	\$ 10,534,806
Common stocks	25,737,561	27,546,182
Mutual funds		
Fixed income	297,450	29,999,776
Equity	-	6,497,726
Equity exchange traded funds	-	15,206
Limited partnerships	<u>79,799,688</u>	<u>113,716,156</u>
	<u>\$ 207,102,968</u>	<u>\$ 188,309,852</u>

The December 31, 2024 investment allocation was impacted as result of the Association transitioning its portfolio to a new investment advisor and custodian.

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Investment income, net was comprised of the following for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Net realized and gain (loss)	\$ 17,100,856	\$ (3,556,609)
Net unrealized gain	1,996,278	26,112,462
Interest and dividends	3,555,344	2,830,750
Investment fees	<u>(1,062,096)</u>	<u>(1,222,904)</u>
	<u>\$ 21,590,382</u>	<u>\$ 24,163,699</u>

Limited partnerships consisted of the following at December 31, 2024 and 2023:

<u>December 31, 2024</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Equities long private funds (a)				
S&P 500	\$ 23,884,638	\$ -	quarterly	60 days
U.S. large cap	8,214,734	-	monthly	10-30 days
International	6,477,303	-	monthly	30 days
Equities long/short private fund (b)	454,893	-	semi-annual	90 days
U.S. middle market senior secured loans (c)	522,529	-	annual	90 days
Privated equity funds (d)	<u>40,245,591</u>	<u>26,140,000</u>	None	None
	<u>\$ 79,799,688</u>	<u>\$ 26,140,000</u>		
<u>December 31, 2023</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Equities long private funds (a)				
S&P 500	\$ 19,110,288	\$ -	quarterly	60 days
U.S. large cap	24,931,280	-	monthly	10-30 days
U.S. large/mid cap	135,380	-	monthly	10 days
U.S. small/mid cap	3,896,432	-	monthly	10-30 days
Emerging markets	11,808,614	-	monthly	10 days
International	16,589,100	-	monthly	30 days
Equities long/short private fund (b)	626,508	-	semi-annual	90 days
U.S. middle market senior secured loans (c)	129,079	-	annual	90 days
Privated equity funds (d)	<u>36,489,475</u>	<u>17,040,000</u>	None	None
	<u>\$ 113,716,156</u>	<u>\$ 17,040,000</u>		

(a) – This category includes investments that seek to outperform their indices using a risk-controlled, analyst-driven approach. The fair values of the investments in this category have been estimated using the net asset value per share. There are no initial lock-up restrictions at December 31, 2024 on these funds.

(b) – This category includes investments in a hedge fund of fund managers that invest in direct hedge fund managers employing long/short and absolute return strategies. The fair values of the investments in this category have been estimated using the net asset value per share. There are no initial lock-up restrictions at December 31, 2024 on these funds.

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(c) – This category includes an investment in U.S. middle market senior secured loans. The fair value of the investment in this category has been estimated using the net asset value per share. The investment has an initial lock-up period of three years expiring from July 2026 until January 2027.

(d) – This category includes eighteen funds that invest in direct private equity and venture capital partnerships across all industries. These investments can be redeemed early, albeit at a substantial discount. If not redeemed early, distributions will be received through the liquidation of the underlying assets of the fund. The fair values of the investments in this category have been estimated using the net asset value per share.

**5. GRANTS PAYABLE**

Grants authorized but unpaid at year-end are reported as liabilities. No discount has been recorded due to immateriality since most grants will be paid within 18 months after year end. The following is a summary of grants authorized and payable at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
To be paid in less than one year	\$ 12,332,125	\$ 17,340,827
To be paid in one to five years	<u>2,701,200</u>	<u>3,162,000</u>
	<u>\$ 15,033,325</u>	<u>\$ 20,502,827</u>

**6. LINE OF CREDIT**

The AACR has a \$25,000,000 line of credit that is payable on demand by the lender. Advances under this line are secured by one of the AACR's investment accounts. The line of credit bears interest at a variable rate based on the London Interbank Offered Rate plus 1%. There were no advances outstanding at December 31, 2024 and 2023. In January 2025 the line of credit was closed.

**7. NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED**

Board designated net assets without donor restrictions consisted of the following:

	<b>Balance December 31, 2023</b>	<b>Investment Income</b>	<b>Releases</b>	<b>Balance December 31, 2024</b>
Oncology Development fund	\$ 44,791,145	\$ 5,385,401	\$ (4,558,817)	\$ 45,617,729
Reserve fund	15,521,353	-	-	15,521,353
Quasi-Endowment fund	<u>2,904,849</u>	<u>296,756</u>	<u>(116,194)</u>	<u>3,085,411</u>
	<u>\$ 63,217,347</u>	<u>\$ 5,682,157</u>	<u>\$ (4,675,011)</u>	<u>\$ 64,224,493</u>
	<b>Balance December 31, 2022</b>	<b>Investment Income</b>	<b>Releases</b>	<b>Balance December 31, 2023</b>
Oncology Development fund	\$ 40,766,413	\$ 4,024,732	\$ -	\$ 44,791,145
Reserve fund	15,521,353	-	-	15,521,353
Quasi-Endowment fund	<u>2,570,138</u>	<u>437,517</u>	<u>(102,806)</u>	<u>2,904,849</u>
	<u>\$ 58,857,904</u>	<u>\$ 4,462,249</u>	<u>\$ (102,806)</u>	<u>\$ 63,217,347</u>

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The Oncology Development Fund was created with the overarching goal of accelerating breakthrough innovations in cancer prevention, interception, treatment or cures by investing in oncology-focused investment funds. The Reserve Fund is to be used as a reserve for future years' operations. The Quasi-Endowment Fund is to provide annual income distributions that are restricted for educational sessions at the AACR annual meeting and other purposes. For the years ended December 31, 2024 and 2023, the AACR received income distributions of \$116,194 and \$102,806, respectively, from the Quasi-Endowment Fund.

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following:

	<b>Balance December 31, 2023</b>	<b>Additions</b>	<b>Released from Restrictions</b>	<b>Balance December 31, 2024</b>
Subject to expenditure for specified purpose or periods				
Research grants and fellowships	\$ 9,225,479	\$ 5,744,280	\$ (6,655,456)	\$ 8,314,303
Meetings and educational workshops	930,645	740,063	(775,000)	895,708
Education and training	3,586,058	235,000	(1,437,721)	2,383,337
Other	547,000	-	(25,000)	522,000
Available for future periods	107,981	115,994	(102,934)	121,041
	<u>14,397,163</u>	<u>6,835,337</u>	<u>(8,996,111)</u>	<u>12,236,389</u>
To be maintained indefinitely				
Endowment, with an historic dollar value of \$2,765,955 whose income is available to support the programs, services and mission of the AACR	2,935,634	308,086	(57,074)	3,186,646
	<u>\$ 17,332,797</u>	<u>\$ 7,143,423</u>	<u>\$ (9,053,185)</u>	<u>\$ 15,423,035</u>
	<b>Balance December 31, 2022</b>	<b>Additions</b>	<b>Released from Restrictions</b>	<b>Balance December 31, 2023</b>
Subject to expenditure for specified purpose or periods				
Research grants and fellowships	\$ 13,172,410	\$ 5,889,490	\$ (9,836,421)	\$ 9,225,479
Meetings and educational workshops	2,421,145	570,000	(2,060,500)	930,645
Education and training	5,125,267	40,200	(1,579,409)	3,586,058
Other	574,000	-	(27,000)	547,000
Available for future periods	79,715	103,044	(74,778)	107,981
	<u>21,372,537</u>	<u>6,602,734</u>	<u>(13,578,108)</u>	<u>14,397,163</u>
To be maintained indefinitely				
Endowment, with an historic dollar value of \$2,757,955, whose income is available to support the programs, services and mission of the AACR	2,666,035	463,656	(194,057)	2,935,634
	<u>\$ 24,038,572</u>	<u>\$ 7,066,390</u>	<u>\$ (13,772,165)</u>	<u>\$ 17,332,797</u>

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Net assets to be maintained indefinitely consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Endowment		
Cash	\$ 21,000	\$ 13,000
Investments	3,160,272	2,919,133
Gift annuity, net	<u>5,374</u>	<u>3,501</u>
	<u>\$ 3,186,646</u>	<u>\$ 2,935,634</u>

**9. ENDOWMENT FUNDS**

An accounting standard exists which provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The AACR is not subject to this guidance since Pennsylvania has not enacted a version of UPMIFA. The standard also requires additional disclosures about an organization's endowment funds whether or not the organization is subject to UPMIFA.

In accordance with Pennsylvania statutes, the AACR has adopted investment and spending policies for its endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of these endowment assets over the long-term. The AACR's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

The spending policy calculates the amount of money annually distributed from the endowment fund to support various programs. The current spending policy is to distribute an amount equal to 5% of a moving three-year average of the fair value of the endowment fund.

Changes in the invested endowment net assets for the years ended December 31, 2023 and 2022 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Invested endowment net assets, December 31, 2023	\$ 2,904,849	\$ 2,919,133	\$ 5,823,982
Investment income	296,756	298,213	594,969
Spending policy distribution	<u>(116,194)</u>	<u>(57,074)</u>	<u>(173,268)</u>
Invested endowment net assets, December 31, 2024	<u>\$ 3,085,411</u>	<u>\$ 3,160,272</u>	<u>\$ 6,245,683</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Invested endowment net assets, December 31, 2022	\$ 2,570,138	\$ 2,658,134	\$ 5,228,272
Investment income	437,517	452,496	890,013
Spending policy distribution	<u>(102,806)</u>	<u>(191,497)</u>	<u>(294,303)</u>
Invested endowment net assets, December 31, 2023	<u>\$ 2,904,849</u>	<u>\$ 2,919,133</u>	<u>\$ 5,823,982</u>

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**10. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects the AACR and Affiliates' financial assets as of the consolidated statements of financial position date, which have been reduced by financial assets not available for general expenditures within one year.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 34,558,253	\$ 12,757,287
Accounts receivable	3,172,254	2,413,507
Contributions and grants receivable	22,519,695	22,605,183
Investments	<u>207,102,968</u>	<u>188,309,852</u>
Total financial assets	267,353,170	226,085,829
Less: Financial assets not available for general expenditures within one year		
Restricted by donors for specified purpose or periods	(12,115,348)	(14,289,182)
Restricted by donors to be maintained indefinitely	(3,186,646)	(2,935,634)
Investments with liquidity horizons greater than one year	(40,768,120)	(36,618,554)
Unfunded commitments to private equity funds	(26,140,000)	(17,040,000)
Board designated funds	<u>(64,224,493)</u>	<u>(63,217,347)</u>
Total financial assets available within one year	<u>\$ 120,918,563</u>	<u>\$ 91,985,112</u>

**Liquidity Management**

The AACR and Affiliates regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The AACR has various sources of liquidity at its disposal, including cash, money market funds, marketable debt and equity securities, and a line of credit which was closed in January 2025 (see Note 6). Although the AACR and Affiliates do not intend to spend from board designated funds, amounts from the board designated funds could be made available, if necessary.

**11. RETIREMENT PLAN**

The AACR has a defined contribution pension plan covering substantially all eligible employees. Contributions to the plan, which are determined by the Board of Directors, were \$2,067,903 and \$1,919,437 for 2024 and 2023, respectively.

The AACR has an employment contract with its chief executive officer that provides for various types of compensated leave. The liability to the chief executive officer resulting from this contract and the AACR's standard leave policies, which is included in "accounts payable and other accrued expenses" in the accompanying consolidated statements of financial position, was \$2,617,465 and \$1,854,751 at December 31, 2024 and 2023, respectively.

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**12. LEASES**

The AACR has operating leases for office space for its headquarters in Philadelphia, Pennsylvania under a lease which expires in 2038 and a satellite office in Washington, D.C. which expires in 2028. The Washington D.C. lease may be renewed at the AACR's discretion for a five-year period. The Philadelphia lease has no option to renew. The lease renewal option for the Washington, D.C. office has not been recognized as part of the operating right-of-use-asset and operating leases liability as the AACR is not reasonably certain that it will exercise the extension. Each lease requires the AACR to pay its share of escalations in real estate taxes and operating expenses.

The following table provides information concerning the Organization's lease at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Lease costs		
Operating lease costs	\$ 2,295,186	\$ 2,463,049
Lease costs relating to short-term leases	<u>138,049</u>	<u>123,746</u>
Total lease costs	<u>\$ 2,433,235</u>	<u>\$ 2,586,795</u>
Other information		
Weighted-average remaining lease term - operating leases	13.50	2.72
Weighted-average discount rate - operating leases	4.00%	4.00%
Cash paid for operating leases	<u>\$ 2,506,257</u>	<u>\$ 2,636,114</u>

The maturities of operating lease liabilities as of December 31, 2024 were as follows:

2025	\$ 4,014
2026	(4,900,625)
2027	2,550,242
2028	2,588,115
2029	2,299,163
Thereafter	<u>22,046,177</u>
	24,587,086
Less: Interest	<u>(7,629,606)</u>
Present value of operating lease liability	<u>\$ 16,957,480</u>

**13. SELF-INSURED HEALTH INSURANCE**

The AACR has a self-insured health benefits plan, which provides medical insurance benefits to employees electing coverage under the plan. The AACR maintains a reserve for incurred but not reported medical claims and claim development. The reserve is an estimate based on historical experience and other assumptions, some of which are subjective. The AACR has a stop loss policy that covers individual claims in excess of \$100,000 and aggregate claims of more than \$1,000,000. The AACR was reimbursed \$964,392 and \$604,768 for stop loss claims for the years ended December 31, 2024 and 2023, respectively. The AACR's reserve for incurred but not reported medical claims was \$200,000 and \$320,490 at December 31, 2024 and 2023, respectively.

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**14. COMMITMENTS**

The AACR has entered into agreements with hotels providing room accommodations for its meetings and educational workshops through the year 2027. These agreements include a guarantee by the AACR that a minimum number of rooms will be rented by conference attendees.

**15. STAND UP TO CANCER**

Stand Up To Cancer, a program of the Entertainment Industry Foundation, was created through an unprecedented collaboration uniting the major television networks, entertainment industry executives and celebrities, and prominent leaders in cancer research and patient advocacy. Stand Up To Cancer embarked on a series of projects to raise significant dollars to fund research that will positively impact patient care and prevention. Since 2008, more than \$429 million has been pledged to the AACR by Stand Up To Cancer to accelerate groundbreaking research and bring new treatments to patients.

The AACR has a long-term contract with the Entertainment Industry Foundation to serve as the scientific partner for Stand Up To Cancer. The AACR provides scientific oversight, conducts expert peer review and is responsible for all aspects related to grant administration for Stand Up To Cancer. The funds for the Stand Up To Cancer initiative are recorded as the donor's conditions are satisfied. In 2024, AACR distributed over \$2.9 million in payments to fund Stand Up To Cancer Research Grants.

**16. ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS**

The following is a summary of assets and liabilities measured at fair value on a recurring basis and the valuation inputs used to value them:

<u>Description</u>	<u>Balance December 31, 2024</u>	<u>Quoted Prices In Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets</b>				
Investments				
Money market funds	\$ 101,268,269	\$ 101,268,269	\$ -	\$ -
Common stocks	25,737,561	25,737,561	-	-
Fixed income mutual funds	297,450	297,450	-	-
Limited partnerships	79,799,688	N/A	N/A	N/A
	<u>\$ 207,102,968</u>	<u>\$ 127,303,280</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Description</u>	<u>Balance December 31, 2023</u>	<u>Quoted Prices In Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<b>Assets</b>				
Investments				
Money market funds	\$ 10,534,806	\$ 10,534,806	\$ -	\$ -
Common stocks	27,546,182	27,546,182	-	-
Mutual funds				
Fixed income	29,999,776	29,999,776	-	-
Equity	6,497,726	6,497,726	-	-
Equity exchange traded funds	15,206	15,206	-	-
Limited partnerships	113,716,156	N/A	N/A	N/A
	<u>\$ 188,309,852</u>	<u>\$ 74,593,696</u>	<u>\$ -</u>	<u>\$ -</u>



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**17. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 11, 2025, the date on which the consolidated financial statements were available to be issued. Except as disclosed in Note 6, no subsequent events have that require recognition or disclosure in the consolidated financial statements.