

**AMERICAN ASSOCIATION FOR CANCER RESEARCH FOUNDATION
(AN AFFILIATE OF THE
AMERICAN ASSOCIATION FOR CANCER RESEARCH, INC.)
Financial Statements
December 31, 2025 and 2024
With Independent Auditor's Report**

American Association for Cancer Research Foundation
(An Affiliate of the American Association for Cancer Research, Inc.)
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December 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
American Association for Cancer Research Foundation:

Opinion

We have audited the financial statements of the American Association for Cancer Research Foundation (a nonprofit organization and affiliate of the American Association for Cancer Research, Inc.), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the American Association for Cancer Research Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance 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 Financial Statements section of our report. We are required to be independent of the American Association for Cancer Research Foundation 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 accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 American Association for Cancer Research Foundation'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 American Association for Cancer Research Foundation'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 handwritten signature in blue ink that reads 'Withum Smith & Brown, PC'.

May 28, 2026

American Association for Cancer Research Foundation
(An Affiliate of the American Association for Cancer Research, Inc.)
Statements of Financial Position
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Due from affiliate	\$ -	\$ 1,529,521
Beneficial interest in investments held by affiliate	3,624,146	3,186,646
Contributions and grants receivable	146,000	80,000
Prepaid expenses and other	<u>21,464</u>	<u>26,969</u>
 Total assets	 <u>\$ 3,791,610</u>	 <u>\$ 4,823,136</u>
 Liabilities and Net Assets		
Liabilities		
Due to affiliate	\$ 647,633	\$ -
Gift annuity obligations	<u>15,110</u>	<u>15,110</u>
Total liabilities	<u>662,743</u>	<u>15,110</u>
 Net assets (deficit)		
Without donor restrictions	(641,279)	1,541,380
With donor restrictions	<u>3,770,146</u>	<u>3,266,646</u>
Total net assets	<u>3,128,867</u>	<u>4,808,026</u>
 Total liabilities and net assets	 <u>\$ 3,791,610</u>	 <u>\$ 4,823,136</u>

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

American Association for Cancer Research Foundation
(An Affiliate of the American Association for Cancer Research, Inc.)
Statements of Activities
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support						
Contributions and grants	\$ 42,371,543	\$ 190,000	\$ 42,561,543	\$ 51,376,863	\$ 88,000	\$ 51,464,863
Development fee	1,100,000	-	1,100,000	1,204,000	-	1,204,000
Change in value of beneficial interest held by affiliate	-	590,312	590,312	-	300,086	300,086
Net assets released from restriction	276,812	(276,812)	-	122,074	(122,074)	-
Total revenue and support	43,748,355	503,500	44,251,855	52,702,937	266,012	52,968,949
Expenses						
Program services						
Grants to affiliate						
Meetings, conferences and educational events	1,518,573	-	1,518,573	1,835,732	-	1,835,732
Scientific awards, fellowships and career development awards and research grants	14,882,142	-	14,882,142	13,245,523	-	13,245,523
Education and training awards for early career scientists	834,069	-	834,069	1,082,063	-	1,082,063
Public education and training	709,520	-	709,520	612,330	-	612,330
Unrestricted	20,946,811	-	20,946,811	31,314,402	-	31,314,402
Total program services	38,891,115	-	38,891,115	48,090,050	-	48,090,050
Supporting services						
General and administrative	879,407	-	879,407	976,203	-	976,203
Fundraising	6,160,492	-	6,160,492	5,306,283	-	5,306,283
Total supporting services	7,039,899	-	7,039,899	6,282,486	-	6,282,486
Total expenses	45,931,014	-	45,931,014	54,372,536	-	54,372,536
Change in net assets	(2,182,659)	503,500	(1,679,159)	(1,669,599)	266,012	(1,403,587)
Net assets (deficit)						
Beginning of year	1,541,380	3,266,646	4,808,026	3,210,979	3,000,634	6,211,613
End of year	\$ (641,279)	\$ 3,770,146	\$ 3,128,867	\$ 1,541,380	\$ 3,266,646	\$ 4,808,026

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

American Association for Cancer Research Foundation
(An Affiliate of the American Association for Cancer Research, Inc.)
Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating activities		
Change in net assets	\$ (1,679,159)	\$ (1,403,587)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Change in value of beneficial interest held by affiliate	(590,312)	(300,086)
Contributions restricted for long-term purposes	(190,000)	(8,000)
Change in operating assets and liabilities		
Due from affiliate	1,529,521	1,689,433
Beneficial interest in investments held by affiliate	152,812	49,074
Contributions and grants receivable	80,000	(15,000)
Prepaid expenses and other	5,505	(19,834)
Due to affiliate	<u>647,633</u>	<u>-</u>
Net cash used in operating activities	<u>(44,000)</u>	<u>(8,000)</u>
Financing activities		
Collections of contributions restricted for investment in endowment	<u>44,000</u>	<u>8,000</u>
Net cash provided by operating activities	<u>44,000</u>	<u>8,000</u>
Net change in cash	-	-
Cash		
Beginning of year	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>

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

American Association for Cancer Research Foundation
(An Affiliate of the American Association for Cancer Research, Inc.)
Notes to Financial Statements
December 31, 2025 and 2024

1. NATURE OF OPERATIONS

The American Association for Cancer Research Foundation (the "AACR Foundation") was formed as a Pennsylvania nonprofit corporation. The American Association for Cancer Research, Inc. (the "AACR") is the sole member and parent organization 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 next paragraph.

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 cancer 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.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The 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 Foundation reports 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 Foundation 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 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 be maintained indefinitely while permitting the AACR Foundation to expend the income generated in accordance with the provisions of the contribution.

Estimates

The preparation of 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 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 contributions and grants receivable, the fair value of beneficial interest in investments held by affiliate and the allocation of functional expenses.

American Association for Cancer Research Foundation
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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 Foundation. Unobservable inputs reflect the AACR Foundation's 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 Foundation has the ability to access. The AACR Foundation had no assets or liabilities valued using Level 1 inputs as of December 31, 2025 and 2024.

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.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The AACR Foundation had no assets or liabilities valued using Level 3 inputs as of December 31, 2025 and 2024.

Contributions and Grants Receivable

The AACR Foundation records unconditional contributions and grants receivable that are expected to be collected within one year at net realizable value. Contributions 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 Foundation 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. No allowance for uncollectible promises to give is recorded at December 31, 2025 and 2024. All amounts are expected to be collected within one year.

Gift Annuity Obligations

Under charitable gift annuity contracts, the AACR Foundation receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution. In subsequent years, the liability for future payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income.

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Revenue Recognition

The AACR Foundation accounts for revenue from contracts with customers as exchange transactions in the 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 Foundation 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 Foundations satisfies each performance obligation.

Development fee revenue is recognized as revenue at the point in time that the AACR Foundation has raised funds and granted them to the AACR.

There were no contract assets or liabilities at December 2025, 2024 and 2023.

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.

Functional Allocation of Expenses

The costs of providing various program and supporting services have been presented on a functional basis in the statements of activities and detailed by natural classification within Note 7. 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 Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision or liability for income taxes is included in the accompanying financial statements.

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 Foundation believes that it had no uncertain tax positions as defined in GAAP.

Concentration of Revenue and Support

The AACR Foundation received approximately 49% and 61% of its contributions from one foundation in 2025 and 2024, respectively.

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3. BENEFICIAL INTEREST IN INVESTMENTS HELD BY AFFILIATE

The AACR Foundation's investments are held by the AACR in a commingled investment account. The investments are reported at fair value using Level 2 valuations inputs in the statements of financial position, with contributions, distributions and changes in fair value recognized in the statements of activities.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	Balance December 31, 2024	Additions	Releases	Balance December 31, 2025
Available in future periods	\$ 80,000	\$ -	\$ (80,000)	\$ -
Endowment	3,186,646	780,312	(196,812)	3,770,146
	<u>\$ 3,266,646</u>	<u>\$ 780,312</u>	<u>\$ (276,812)</u>	<u>\$ 3,770,146</u>

	Balance December 31, 2023	Additions	Releases	Balance December 31, 2024
Available in future periods	\$ 65,000	\$ 80,000	\$ (65,000)	\$ 80,000
Endowment	2,935,634	308,086	(57,074)	3,186,646
	<u>\$ 3,000,634</u>	<u>\$ 388,086</u>	<u>\$ (122,074)</u>	<u>\$ 3,266,646</u>

The endowment is required to be maintained indefinitely and provides income that is restricted for educational sessions at the AACR annual meeting and other purposes. The endowment has a historic dollar value of \$2,955,955 and \$2,765,955 at December 31, 2025 and 2024, respectively.

5. 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 Foundation 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 Foundation 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 Foundation'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.

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Changes in the invested endowment assets for the years ended December 31, 2025 and 2024 are as follows:

	<u>With Donor Restrictions</u>
Invested endowment net assets, December 31, 2023	\$ 2,935,634
Additions	8,000
Investment income, net	300,086
Spending policy distribution	<u>(57,074)</u>
Invested endowment net assets, December 31, 2024	3,186,646
Additions	44,000
Investment income, net	590,312
Spending policy distribution	<u>(196,812)</u>
Invested endowment net assets, December 31, 2025	<u>\$ 3,624,146</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the AACR Foundation to retain as a fund of perpetual duration. There were no funds with deficiencies at December 31, 2025 and 2024. The AACR Foundation's policy permits spending from underwater endowments depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations.

6. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the AACR Foundation's financial assets as of the statements of financial position date, which has been reduced by financial assets not available for general expenditures within one year.

	<u>2025</u>	<u>2024</u>
Due from affiliate	\$ -	\$ 1,529,521
Beneficial interest in investments held by related party	3,624,146	3,186,646
Contributions and grants receivable	<u>146,000</u>	<u>80,000</u>
Total financial assets available within one year	3,770,146	4,796,167
Less: Financial assets not available for general expenditures within one year		
Restricted by donors in perpetuity	<u>(3,770,146)</u>	<u>(3,186,646)</u>
Total financial assets available within one year	<u>\$ -</u>	<u>\$ 1,609,521</u>

Liquidity Management

As part of the AACR Foundation's liquidity management, the AACR on the Foundation's behalf invests cash in excess of daily requirements in short-term investments, typically money market funds.

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7. EXPENSES BY FUNCTIONAL AND NATURAL CLASSIFICATION

Expenses by functional and natural expense classification for the years ended December 31, 2025 and 2024 are as follows:

<u>2025</u>	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and fringe benefits	\$ -	\$ 616,323	\$ 3,817,348	\$ 4,433,671
Audio-visual services	-	-	95,990	95,990
Duplication, printing and supplies	-	3,053	30,516	33,569
Grants to AACR	38,891,115	-	-	38,891,115
Hotel lodging and facilities rental	-	-	49,431	49,431
Lease expense	-	58,582	162,936	221,518
Marketing	-	-	100,603	100,603
Meeting and receptions	-	-	255,687	255,687
Miscellaneous	-	194,827	274,580	469,407
Professional fees	-	6,622	1,291,414	1,298,036
Travel, speakers and staff	-	-	81,987	81,987
	<u>\$ 38,891,115</u>	<u>\$ 879,407</u>	<u>\$ 6,160,492</u>	<u>\$ 45,931,014</u>

<u>2024</u>	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and fringe benefits	\$ -	\$ 712,303	\$ 3,369,357	\$ 4,081,660
Audio-visual services	-	-	90,917	90,917
Duplication, printing and supplies	-	3,364	30,994	34,358
Grants to AACR	48,090,050	-	-	48,090,050
Hotel lodging and facilities rental	-	-	43,772	43,772
Lease expense	-	60,121	95,318	155,439
Marketing	-	-	91,817	91,817
Meeting and receptions	-	-	188,864	188,864
Miscellaneous	-	193,570	292,226	485,796
Professional fees	-	6,845	1,010,616	1,017,461
Travel, speakers and staff	-	-	92,402	92,402
	<u>\$ 48,090,050</u>	<u>\$ 976,203</u>	<u>\$ 5,306,283</u>	<u>\$ 54,372,536</u>

8. RELATED PARTY TRANSACTIONS

The AACR Foundation had the following transactions with its sole member, the AACR:

The AACR Foundation had a noninterest bearing payable to the AACR of \$647,633 at December 31, 2025. The AACR Foundation had a noninterest bearing receivable from the AACR of \$1,529,521 at December 31, 2024. There is no formal repayment schedule.

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The AACR Foundation received a development fee from the AACR for contributions raised by the AACR Foundation on AACR's behalf of \$1,100,000 in 2025 and \$1,204,000 in 2024.

The AACR Foundation made grants to the AACR of \$38,891,115 in 2025 and \$48,090,050 in 2024. During 2025 and 2024, the AACR charged personnel and other costs of \$7,039,899 and \$6,282,486, respectively, to the AACR Foundation. This includes lease expense which is charged on a month to month basis.

9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 28, 2026 the date on which the financial statements were available to be issued. No subsequent events have occurred that required recognition in the financial statements.