The Samuel Waxman Cancer Research Foundation, Inc.

Financial Statements
Year Ended June 30, 2021

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Contents

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Independent Auditor's Report

The Board of Directors
The Samuel Waxman Cancer Research Foundation, Inc.
New York, New York

Opinion

We have audited the financial statements of The Samuel Waxman Cancer Research Foundation, Inc. (the Foundation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 Foundation as of June 30, 2021, and the changes 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 Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 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 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.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2020 financial statements and our report, dated December 4, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA LLP

March 28, 2022

The Samuel Waxman Cancer Research Foundation, Inc.

Statement of Financial Position
(with comparative totals for 2020)

June 30,	2021	2020
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	**$ 2,205,049**	$ 1,886,725
Pledges receivable (Notes 2 and 5)	**1,313,823**	1,322,499
Prepaid expenses	**203,069**	93,057
Investments, at fair value (Notes 2 and 4)	**13,653**	14,017
Other receivables	**11,488**	106,310
Total Current Assets	**3,747,082**	3,422,608
Long-Term Assets		
Pledges receivable, net of current portion and discounts (Notes 2 and 5)	**1,059,481**	1,686,354
Fixed assets, net (Note 2)	**4,837**	7,095
Other assets	**23,275**	23,275
Total Assets	**$ 4,834,675**	$ 5,139,332
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	**$ 158,613**	$ 99,550
Grants payable (Note 2)	**525,000**	-
Deferred revenue (Note 2)	**111,300**	-
Total Current Liabilities	**794,913**	99,550
Paycheck Protection Program (PPP) Loan (Note 6)	**97,452**	99,895
Deferred Rent (Notes 2 and 7)	**23,211**	38,074
Total Liabilities	**915,576**	237,519
Commitments and Contingencies (Notes 2, 3, 7, and 11)		
Net Assets (Notes 2, 3, and 8)		
Without donor restrictions	**1,622,802**	1,991,350
With donor restrictions	**2,296,297**	2,910,463
Total Net Assets	**3,919,099**	4,901,813
Total Liabilities and Net Assets	**$ 4,834,675**	$ 5,139,332

See accompanying notes to financial statements.

The Samuel Waxman Cancer Research Foundation, Inc.

Statement of Activities
(with comparative totals for 2020)

Year ended June 30,

	Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Support and Revenue				
Contributions and grants	$ 446,030	$ 465,000	**$ 911,030**	$ 2,964,636
Special events, net of direct benefits to donors of $536,770 and $1,260,816, respectively	1,583,854	-	**1,583,854**	2,149,072
Investment income, net of fees	15,561	-	**15,561**	91,991
Net assets released from restrictions (Note 8)	1,079,166	(1,079,166)	**-**	-
Gain on extinguishment of debt - PPP loan (Note 6)	99,895	-	**99,895**	-
Total Support and Revenue	3,224,506	(614,166)	**2,610,340**	5,205,699
Expenses				
Program services	2,825,053	-	**2,825,053**	2,601,738
Management and general	273,999	-	**273,999**	280,425
Fundraising	494,002	-	**494,002**	503,566
Total Expenses	3,593,054	-	**3,593,054**	3,385,729
Change in Net Assets	(368,548)	(614,166)	**(982,714)**	1,819,970
Net Assets, beginning of year	1,991,350	2,910,463	**4,901,813**	3,081,843
Net Assets, end of year	$ 1,622,802	$ 2,296,297	**$3,919,099**	$ 4,901,813

See accompanying notes to financial statements.

The Samuel Waxman Cancer Research Foundation, Inc.

Statement of Functional Expenses
(with comparative totals for 2020)

Year ended June 30,

		Supporting Services		Total	
	Program Services	Management and General	Fundraising	**2021**	2020
Research Grants					
Mount Sinai Medical Center	$ 293,279	$ -	$ -	**$ 293,279**	$ 421,169
Institute Without Walls	1,560,107	-	-	**1,560,107**	1,347,252
Total Research Grants	1,853,386	-	-	**1,853,386**	1,768,421
Other Expenses					
Salaries and related benefits	296,228	155,519	288,822	**740,569**	779,862
Scientific directors	290,000	-	-	**290,000**	290,000
Consultants	23,209	12,185	22,628	**58,022**	105,540
Professional fees	42,888	22,516	41,817	**107,221**	108,884
Printing and publications	15,818	8,304	15,423	**39,545**	29,264
Travel	2,544	1,336	2,481	**6,361**	9,312
Insurance	5,635	2,958	5,494	**14,087**	21,488
Office, printing, and stationary	18,464	9,694	18,003	**46,161**	49,732
Taxes and licenses	-	7,999	-	**7,999**	2,140
Occupancy and utilities	74,591	39,160	72,726	**186,477**	178,059
Equipment rental and maintenance	16,681	8,758	16,264	**41,703**	12,224
Bad debt expense	175,000	-	-	**175,000**	-
Miscellaneous expenses	10,609	5,570	10,344	**26,523**	30,803
Total Expenses	$ 2,825,053	$ 273,999	$ 494,002	**$ 3,593,054**	$ 3,385,729

See accompanying notes to financial statements.

The Samuel Waxman Cancer Research Foundation, Inc.

Statement of Cash Flows
(with comparative totals for 2020)

Year ended June 30,	2021	2020
Cash Flows from Operating Activities		
Change in net assets	$ **(982,714)**	$ 1,819,970
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	**2,259**	2,259
Bad debt expense	**175,000**	-
Net unrealized loss on investments	**364**	1,751
Net present value discount on pledge receivables	**72,019**	55,990
Donated investments	**(71,927)**	(150,000)
Gain on extinguishment of debt - PPP loan	**(99,895)**	-
Change in operating assets and liabilities:		
Decrease (increase) in:		
Pledges receivable	**388,530**	(1,355,822)
Prepaid expenses	**(110,012)**	164,643
Other receivables	**94,822**	(2,827)
Increase (decrease) in:		
Accounts payable and accrued expenses	**59,062**	(23,108)
Grants payable	**525,000**	-
Deferred rent	**(14,863)**	19,266
Deferred revenue	**111,300**	(104,875)
Net Cash Provided by Operating Activities	**148,945**	427,247
Cash Flows from Investing Activities		
Proceeds from the sale of donated investments	**71,927**	150,000
Net Cash Provided by Investing Activities	**71,927**	150,000
Cash Flow from Financing Activities		
Proceeds from PPP loan	**97,452**	99,895
Net Cash Provided by Financing Activities	**97,452**	99,895
Net Increase in Cash and Cash Equivalents	**318,324**	677,142
Cash and Cash Equivalents, beginning of year	**1,886,725**	1,209,583
Cash and Cash Equivalents, end of year	$ **2,205,049**	$ 1,886,725

See accompanying notes to financial statements.

1. Description of Foundation

The Samuel Waxman Cancer Research Foundation, Inc. (the Foundation) is a scientific research foundation dedicated to supporting a focused research program to develop targeted, cancer-cell-specific therapies. The Foundation primarily supports programs for cancer-related research, and develops drug therapies for cancer prevention, treatment, and ultimately a cure. The Foundation helps to organize conferences that share findings on differentiation therapy and helps to support and assist researchers in the publication of research papers in many major scientific journals.

The Foundation is organized under the not-for-profit corporation law of the state of New York. The Foundation has been granted exemption from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation within the meaning of Section 509(a) of the Code.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

In the statement of financial position, assets are presented in order of liquidity or conversion to cash and liabilities are presented according to their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of the Foundation's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—net assets without donor restrictions and net assets with donor restrictions—be displayed in the statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

Interest, dividends, and gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law. Investment income and gains restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the income is recognized.

These classes are defined as follows:

Net Assets Without Donor Restrictions - This class consists of the part of net assets that is not subject to donor-imposed stipulations and are, therefore, available for the general operations of the Foundation. The net assets without donor restrictions are used to account for all resources over which the Board of Directors has discretionary control.

Net Assets with Donor Restrictions - This class consists of net assets resulting from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation, pursuant to those stipulations. When such stipulations end or are fulfilled, such donor-restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities.

Cash and Cash Equivalents

The Foundation considers all highly liquid instruments purchased with a maturity of three months or less and money market accounts with dollar-for-dollar values to be cash and cash equivalents.

Investments at Fair Value

The Foundation reflects investments at fair value in the accompanying statement of financial position.

The fair values of alternative investments that are not readily marketable are based on the fair values of the underlying investments provided by the investment managers, which are reviewed for reasonableness by management. Because of the inherent uncertainty of valuation of the Foundation's alternative investments, values for those investments may differ significantly from values that would have been used had a ready market for the investments existed.

Investment income, net of fees, is recognized when earned, and consists of interest, dividends, and realized and unrealized gains and losses, less direct external investment expenses. Dividends are recorded at the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Fair Value Measurements

U.S. GAAP establishes a 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 inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as the Foundation would use in pricing its assets or liabilities based on independently derived and objectively determinable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Foundation are traded. The Foundation estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use, as determined by the money managers administering each investment based on the best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 - Valuation is based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

Pledges Receivable and Contributions

Contributions are recognized when the donor makes a promise-to-give to the Foundation in substance and unconditionally. Conditional contributions and promises-to-give are not recognized until they become unconditional—that is, when the future and uncertain event on which they depend has occurred. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. Pledges receivable due after one year are discounted to net present value using the risk-adjusted interest rate in effect on the date of the gifts.

Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Many volunteers, including the Board of Directors, have made significant contributions of time in furtherance of the Foundation's policies and programs. The value of this contributed time does not meet the criteria for recognition and, therefore, is not reflected in the accompanying financial statements.

Allowance for Uncollectible Receivables

The Foundation determines whether an allowance for uncollectible receivables should be provided for pledges and other receivables. Such estimates are based on management's assessment of the likelihood of collection, including consideration of how long the receivable has been outstanding, the creditworthiness of the debtor, current economic conditions, management's analysis of specific pledges made and historical information. There was no allowance recorded as of June 30, 2021, since pledges receivable, as stated in the financial statements, are deemed by the Foundation's management to be fully collectible.

Deferred Revenue

Advanced payment for future event tickets and sponsorships are recorded as deferred revenue. As of June 30, 2021, the Foundation has a deferred revenue balance of $111,300.

Fixed Assets

Purchases of fixed assets are recorded at cost. The Foundation capitalizes property and equipment having a cost of $1,000 or more and a useful life of greater than one year. Depreciation and amortization is recognized using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life of the asset or the remaining term of the lease. As of June 30, 2021, fixed assets have a net book value of $4,837. The estimated useful lives of fixed assets are as follows:

	Years
Computer equipment and software	5
Furniture and fixtures	5

The Foundation reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that a carrying amount of an asset may not be recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of June 30, 2021, there have been no such losses.

Research Grants Payable

Research grants are awarded for one or two years. Grant expense is recorded when the terms of the grant are substantively met. At June 30, 2021, there were $525,000 in grants payable. All of these grants were paid in fiscal year 2022.

Functional Allocation of Expenses

The costs of providing the various program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. The majority of expenses can generally be directly identified with the program or supporting services to which they relate and are allocated accordingly. Other expenses have been allocated among management and general and fundraising classifications primarily on the basis of the employees' time allocations.

Deferred Rent

Rent expense is being recognized on a straight-line basis over the lives of the leases. The difference between rent expense recognized and rental payments, as stipulated in the respective leases, are reflected as deferred rent in the statement of financial position. Any landlord incentives on leasehold improvement costs will be amortized over the lives of the leases.

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist primarily of cash and cash equivalents. At various times, the Foundation has cash deposits at financial institutions that exceed the Federal Deposit Insurance Corporation insurance limits. The Foundation has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on its cash and cash equivalent accounts.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information. With respect to the statement of activities, the prior-year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation’s financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Reclassifications

Certain prior-year balances have been reclassified to be consistent with the current-year financial statement presentation. These reclassifications had no impact on change in net assets or ending net assets.

Income Taxes

The Foundation is exempt from federal, state, and local income taxes under Section 501(c)(3) of the Code and, therefore, has made no provision for income taxes in the accompanying financial statements.

Under U.S. GAAP, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The Foundation does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Foundation has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Foundation has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended June 30, 2021, there were no interest or penalties recorded or included in the statement of activities. The Foundation is subject to routine audit by a taxing authority. As of June 30, 2021, the Foundation was not subject to any examination by a taxing authority.

Recently Adopted Accounting Pronouncement

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FASB issued ASU 2020-05, which deferred the effective date for the Foundation until annual periods beginning after December 15, 2019. The amendments in this update are required to be applied retrospectively to each prior-reporting period presented or with the cumulative effect being recognized at the date of initial application. The standard was adopted on a modified retrospective basis by the Foundation for the year ended June 30, 2021. The adoption of the ASU did not have a material impact on the financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Accounting for Leases

In February 2016, the FASB issued ASU 2016-02, *Accounting for Leases*, which applies a right-of-use (ROU) model that requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize an ROU asset or lease liability. At inception, lessees must classify all leases as either finance or operating, based on five criteria. Balance sheet recognition of finance and operating leases is similar, but the pattern of expense recognition in the income statement, as well as the effect on the statement of cash flows, differs depending on the lease classification. In addition, lessees and lessors are required to provide certain qualitative and quantitative disclosures to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. With the release of ASU 2020-05, this ASU was delayed and is effective for the Foundation's fiscal years beginning after December 31, 2021, with early adoption permitted. Management is currently evaluating the impact of this ASU on its financial statements.

Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. The update requires not-for-profits to present contributed nonfinancial assets as a separate line item on the statement of activities, and to disclose information regarding each type of contributed nonfinancial assets. The update is effective for financial statements issued for fiscal years beginning after June 15, 2021, and interim periods within fiscal years beginning after June 15, 2022, with early application permitted. Management is currently evaluating the impact of this ASU on its financial statements.

Financial Instruments - Credit Losses

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The new credit losses standard changes impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying ASC 606, loans and certain other instruments, entities will be required to use new forward looking “expected loss” model that generally will result in earlier recognition of credit losses than under today's incurred loss model. ASU 2016-13 is effective for annual periods beginning after December 31, 2021. Management is currently evaluating the impact of this ASU on its financial Statements.

3. Liquidity and Availability of Resources

The Foundation's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Year ended June 30, 2021		
Cash and cash equivalents	$	2,205,049
Pledges receivable, net		2,373,304
Investments, at fair value		13,653
Other receivables		11,488
Total Financial Assets		4,603,494
Less:		
Contractual or donor-imposed restrictions:		
Subject to appropriation and satisfaction of donor restrictions		(2,296,297)
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$	2,307,197

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. The Foundation regularly monitors the cash balance to ensure sufficient liquidity exists to meet its operating needs, as well as other commitments and obligations over the next 12 months.

4. Investments at Fair Value

Investments at fair value consist of the following:

June 30, 2021		
Alternative investments - hedge funds	$	13,653

The underlying investments of the hedge funds may be invested in loans, including loans issued by or related to companies that are experiencing various forms of financial, operational, legal and/or other distress and impairment. Any underlying investment in high-yield loans may involve special risks. For example (and without limitation), the underlying investments may be noninterest bearing, unsecured and/or subordinated to other claimants. Until investments are sold or mature, the underlying investments are exposed to credit risk relating to whether the obligor will meet its obligation when due.

As of June 30, 2021, the Foundation had no unfunded commitments to invest in its alternative investments.

Following is a description of the valuation methodology used for assets measured at fair value.

Hedge Funds - Investments in hedge funds are valued at the net asset value (NAV) of the shares held by the Foundation at year-end. The fair value of hedge funds is provided by the investment manager and is based on the fair values of the underlying investments and may be based on historical cost, appraisals and obtainable prices for similar assets or other estimates. When price quotations for the underlying investments are not available from unaffiliated market makers or other financial institutions that regularly trade similar investments, independent valuation agents determine, in consultation with the investment managers, the value of the investments by reviewing information prepared or provided by the investment managers and/or by using their proprietary valuation models. Since the hedge funds are valued at NAV per share practical expedient, they have not been categorized in the fair value hierarchy.

Investment income includes the following:

Year ended June 30, 2021		
Interest and dividends	$	15,925
Unrealized loss		(364)
Total Investment Activity	$	15,561

5. Pledges Receivable, Net

Pledges receivable, net, as of June 30, 2021 are scheduled to be collected as follows:

Year ending June 30,		
2022	$	1,313,823
2023		753,500
2024		376,000
2025		1,000
2026		1,000
Less: discount to present value		(72,019)
Total Pledges Receivable, Net	$	2,373,304

Pledges receivable due after one year are discounted to net present value using risk adjusted interest rates in effect on the date of the gifts. An interest rate of 2% is used to discount the unconditional promises as of June 30, 2021.

6. Paycheck Protection Program Loans

The Paycheck Protection Program (PPP) was established as part of the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), and provides for loans to qualified businesses for amounts up to two and a half times the average monthly payroll expenses for qualifying businesses. The loans' accrued interest is forgivable along with the principal, provided the Foundation uses the loans' proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels.

On April 14, 2020, the Foundation applied for and received approval for a loan under the PPP administered by the United States Small Business Administration in the amount of $99,895. On January 31, 2021, the full amount of the PPP loan was forgiven, which is reported in the statement of activities as gain on extinguishment of debt - PPP loan.

In March 2021, the Foundation applied for and received approval for a second round PPP loan administered by the United States Small Business Administration in the amount of $97,452. The loan bears interest at 1.00% per annum. Monthly payments are deferred until July 2022 and matures in March 2026. As of June 30, 2021, the Foundation's PPP loan had a balance of $97,452 and is held by a financial institution. Management believes the PPP loan will be fully forgiven, but until such time, the PPP loan is recorded as Paycheck Protection Program Loan in the statement of financial position.

7. Commitments and Contingencies

Operating Lease

The Foundation entered into an operating lease, as amended, through October 2023. The lease agreement provides for rent expense related to the required minimum rentals, which is recognized on a straight-line basis over the term of the lease. Straight-lining of rent gives rise to a timing difference that is reflected as deferred rent. As of June 30, 2021, the Foundation has a deferred rent liability balance of $23,211.

Future minimum lease payments under operating leases as of June 30, 2021 approximate the following:

Year ending June 30,		
2022	$	172,014
2023		177,175
2024		59,938
	$	409,127

Rent expense for the year ended June 30, 2021 was $166,030 and was included within occupancy and utilities in the statement of functional expenses.

8. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

June 30, 2021		
Donor-Imposed Time Restrictions	$	636,297
Donor-Imposed Program Restriction		
Bladder Cancer		600,000
Breast Cancer		400,000
Aging and Cancer		225,000
Liver Cancer		125,000
Triple Negative Breast Cancer		100,000
Blood Cancer		75,000
Samuel Waxman Laboratory		60,000
Ewing Sarcoma		50,000
USA Cancer Support		25,000
		1,660,000
Total Net Assets with Donor Restrictions	$	2,296,297

During the year ended June 30, 2021, the Foundation released net assets in accordance with the donor-imposed program and time restrictions for the following purposes:

June 30, 2021		
Donor-Imposed Time Restrictions	$	286,666
Donor-Imposed Program Restriction		
Bladder Cancer		200,000
Breast Cancer		200,000
Aging and Cancer		150,000
Ewing Sarcoma		87,500
Prostate Cancer		75,000
Liver Cancer		25,000
USA Cancer Support		25,000
Samuel Waxman Laboratory		20,000
Pediatric Cancer		10,000
		792,500
Total Net Assets with Donor Restrictions Releases	$	1,079,166

9. Related Party Transactions

The Foundation transacts business with, or contracts services with, companies or individuals that employ certain members of the Board of Directors, or are relatives of certain employees, or members of the Board of Directors, which includes a consulting agreement with the Foundation’s founder. All related party transactions are conducted at arm’s length.

10. Post Retirement Plan

The Foundation established a defined contribution plan, as defined by the Code Section 403(b), as of January 1, 2019. The plan is offered to substantially all of its employees. For the year ended June 30, 2021, the employer contribution expense was $20,656 and is included in salaries and related benefits in the statement of functional expenses.

11. Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The outbreak has caused business disruption through restricting the movement of people and reducing building capacities.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) was enacted. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions and technical corrections to tax depreciation methods for qualified improvement property.

The CARES Act also appropriated funds for the United States Small Business Administration Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by the COVID-19 outbreak.

As a result of the COVID-19 outbreak, the Foundation has incurred, and it is expected to incur for the foreseeable future, incremental, and other COVID-19 pandemic-related expenses. COVID-19 pandemic-related expenses consist of additional costs that the Foundation is incurring to protect its employees, board of directors and donors, and to support social-distancing requirements resulting from the COVID-19 pandemic. These costs include, but are not limited to, new or added benefits provided to donors, the purchase of additional personal protection equipment and disinfecting supplies, additional facility cleaning services, initiated programs and communications to customers on utility response, and increased technology expenses to support remote working, where possible.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full impact that the pandemic will have on the Foundation's financial condition, liquidity, and future results of operations. Management was notified by some donors that payment terms of pledges might be extended past their due dates. Management feels this will have minimal impact on the ongoing operations of the Foundation. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

12. Subsequent Events

The Foundation’s management has performed subsequent event procedures through March 28, 2022, which is the date the financial statements were available to be issued, and there were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.