

# **The Samuel Waxman Cancer Research Foundation, Inc.**

**Financial Statements**  
Year Ended June 30, 2023

**The Samuel Waxman Cancer Research Foundation, Inc.**

---

Financial Statements  
Year Ended June 30, 2023

# The Samuel Waxman Cancer Research Foundation, Inc.

## Contents

---

Independent Auditor's Report	3-4
<b>Financial Statements</b>	
Statement of Financial Position as of June 30, 2023	5
Statement of Activities for the Year Ended June 30, 2023	6
Statement of Functional Expenses for the Year Ended June 30, 2023	7
Statement of Cash Flows for the Year Ended June 30, 2023	8
Notes to Financial Statements	9-18



Tel: 212-885-8000  
Fax: 212-697-1299  
www.bdo.com

BDO  
200 Park Avenue  
New York, NY 10166  
USA

## **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, 2023, and the related statements of activities, functional expenses, and cash flow 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, 2023, 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 available to be issued.

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

Our objective is 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 Samuel Waxman Cancer Research Foundation, Inc. 2022 financial statements, and our report dated March 20, 2023 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, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, P.C.

March 19, 2024

# The Samuel Waxman Cancer Research Foundation, Inc.

## Statement of Financial Position (with comparative totals for 2022)

<i>June 30,</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 2)	\$ 290,431	\$ 2,752,445
Pledges receivable (Notes 2 and 5)	1,262,000	1,236,000
Bequest receivable (Note 2)	100,000	249,295
Prepaid expenses	340,714	489,194
Investments, at fair value (Notes 2 and 4)	2,550,233	12,518
Other receivables	60,938	71,488
<b>Total Current Assets</b>	<b>4,604,316</b>	<b>4,810,940</b>
<b>Pledges Receivable, net of current portion and discounts</b> (Notes 2 and 5)	<b>1,466,744</b>	<b>1,282,054</b>
<b>Fixed Assets, Net</b> (Note 2)	<b>26,239</b>	<b>8,762</b>
<b>Other Assets</b>	<b>23,275</b>	<b>23,275</b>
<b>Right-of-Use Asset, Net</b> (Note 6)	<b>54,989</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 6,175,563</b>	<b>\$ 6,125,031</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 88,979	\$ 119,675
Grants payable (Note 2)	-	4,785
Deferred revenue (Note 2)	161,823	161,067
Operating lease liability (Note 6)	59,583	-
<b>Total Current Liabilities</b>	<b>310,385</b>	<b>285,527</b>
<b>Deferred Rent</b>	<b>-</b>	<b>15,739</b>
<b>Total Liabilities</b>	<b>310,385</b>	<b>301,266</b>
<b>Commitments and Contingencies</b> (Notes 2 and 6)		
<b>Net Assets</b> (Notes 2, 3, and 7)		
Without donor restrictions	3,005,881	3,218,468
With donor restrictions	2,859,297	2,605,297
<b>Total Net Assets</b>	<b>5,865,178</b>	<b>5,823,765</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 6,175,563</b>	<b>\$ 6,125,031</b>

*See accompanying notes to financial statements.*

# The Samuel Waxman Cancer Research Foundation, Inc.

## Statement of Activities (with comparative totals for 2022)

*Year ended June 30,*

	Without Donor Restrictions	With Donor Restrictions	Total	
			2023	2022
<b>Support and Revenue</b>				
Contributions and grants	\$ 80,579	\$ 1,778,500	\$ 1,859,079	\$ 2,465,555
Special events, net of direct benefits to donors of \$1,465,978 and \$1,463,493, respectively	2,039,642	-	2,039,642	2,237,039
Investment income, net	49,007	-	49,007	2,366
Net assets released from restrictions (Note 7)	1,524,500	(1,524,500)	-	-
Gain on extinguishment of debt - Paycheck Protection Program (PPP) loan	-	-	-	97,452
<b>Total Support and Revenue</b>	<b>3,693,728</b>	<b>254,000</b>	<b>3,947,728</b>	<b>4,802,412</b>
<b>Expenses</b>				
Program services	2,930,480	-	2,930,480	2,078,192
Management and general	360,673	-	360,673	303,019
Fundraising	615,162	-	615,162	516,535
<b>Total Expenses</b>	<b>3,906,315</b>	<b>-</b>	<b>3,906,315</b>	<b>2,897,746</b>
<b>Change in Net Assets</b>	<b>(212,587)</b>	<b>254,000</b>	<b>41,413</b>	<b>1,904,666</b>
<b>Net Assets, beginning of year</b>	<b>3,218,468</b>	<b>2,605,297</b>	<b>5,823,765</b>	<b>3,919,099</b>
<b>Net Assets, end of year</b>	<b>\$ 3,005,881</b>	<b>\$ 2,859,297</b>	<b>\$ 5,865,178</b>	<b>\$ 5,823,765</b>

*See accompanying notes to financial statements.*

# The Samuel Waxman Cancer Research Foundation, Inc.

## Statement of Functional Expenses (with comparative totals for 2022)

Year ended June 30,

	Supporting Services			Total	
	Program Services	Management and General	Fundraising	2023	2022
<b>Research Grants</b>					
Mount Sinai Medical Center	\$ 29,099	\$ -	\$ -	\$ 29,099	\$ 213,511
Institute Without Walls	1,813,500	-	-	1,813,500	817,714
<b>Total Research Grants</b>	<b>1,842,599</b>	<b>-</b>	<b>-</b>	<b>1,842,599</b>	<b>1,031,225</b>
<b>Other Expenses</b>					
Salaries and related benefits	468,510	228,807	392,240	1,089,557	843,678
Scientific directors	280,000	-	-	280,000	280,000
Consultants	5,891	2,877	4,932	13,700	94,482
Professional fees	88,269	43,108	73,899	205,276	130,400
Printing and publications	19,981	9,758	16,729	46,468	57,552
Travel	9,245	4,515	7,740	21,500	12,507
Conferences	71,620	-	-	71,620	-
Insurance	7,290	3,560	6,103	16,953	15,108
Office, printing, and stationary	18,867	9,214	15,796	43,877	42,484
Taxes and licenses	-	1,830	-	1,830	1,709
Occupancy and utilities	76,487	37,354	64,036	177,877	177,057
Equipment rental and maintenance	32,205	15,728	26,963	74,896	47,844
Depreciation	2,537	1,239	2,124	5,900	2,302
Bad debt expense	1,484	-	-	1,484	150,000
Miscellaneous expenses	5,495	2,683	4,600	12,778	11,398
<b>Total Expenses</b>	<b>\$ 2,930,480</b>	<b>\$ 360,673</b>	<b>\$ 615,162</b>	<b>\$ 3,906,315</b>	<b>\$ 2,897,746</b>

*See accompanying notes to financial statements.*



# The Samuel Waxman Cancer Research Foundation, Inc.

## Statement of Cash Flows (with comparative totals for 2022)

Year ended June 30,	2023	2022
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 41,413	\$ 1,904,666
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	5,900	2,302
Bad debt expense	1,484	150,000
Unrealized (gain) loss on investments	(38,748)	1,135
Realized loss on sales of investments	420	-
Bequest receivable	149,295	(249,295)
Net present value discount on pledges receivable	153,310	100,946
Donated investments	(52,775)	(73,027)
Gain on extinguishment of debt - PPP loan	-	(97,452)
Principal reduction in operating lease liability	(172,798)	-
Operating lease expense	177,392	-
Change in operating assets and liabilities:		
Decrease (increase) in:		
Pledges receivable	(365,484)	(395,696)
Prepaid expenses	148,480	(286,125)
Other receivables	10,550	(60,000)
Increase (decrease) in:		
Accounts payable and accrued expenses	(30,696)	(40,426)
Grants payable	(4,785)	(520,215)
Deferred rent	(15,739)	(5,984)
Deferred revenue	756	49,767
<b>Net Cash Provided by Operating Activities</b>	<b>7,975</b>	<b>480,596</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of fixed assets	(23,377)	(6,227)
Purchases of investments	(3,748,714)	-
Proceeds from sale of investments	1,249,996	-
Proceeds from the sale of donated investments	52,106	73,027
<b>Net Cash (Used In) Provided by Investing Activities</b>	<b>(2,469,989)</b>	<b>66,800</b>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<b>(2,462,014)</b>	<b>547,396</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>2,752,445</b>	<b>2,205,049</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 290,431</b>	<b>\$ 2,752,445</b>
<b>Supplemental Cash Flow Information</b>		
Right-of-use asset acquired through operating lease	\$ 216,643	\$ -
Change in deferred rent due to adoption of lease standard	15,739	-

*See accompanying notes to financial statements.*

# The Samuel Waxman Cancer Research Foundation, Inc.

## 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 (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,

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

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 at the time of purchase 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*

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.

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

*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, Bequest 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, 2023, since pledges and bequests 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, 2023, the Foundation has a deferred revenue balance of \$161,823.

### ***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 is recognized using the straight-line method over the estimated useful lives of the assets. As of June 30, 2023, fixed assets have a net book value of \$26,239.

The estimated useful lives of fixed assets are as follows:

<u>Asset Category</u>	<u>Useful Lives (Years)</u>
Computer equipment and software	5
Furniture and fixtures	5

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

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. For the year ended June 30, 2023, there have been no such losses.

### ***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.

### ***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 GAAP requires management to make assumptions that affect the reported amounts of assets and liabilities, 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 GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

### ***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 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

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

it is required to do so. Additionally, the Foundation has filed Internal Revenue Service Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended June 30, 2023, 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, 2023, the Foundation was not subject to any examination by a taxing authority.

### ***Adopted Accounting Pronouncement***

#### *Accounting for Leases*

Effective July 1, 2022, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) 2016-02, *Leases (Topic 842)*. The core principle of ASU 2016-02 is that a lessee should recognize the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee will recognize in the statement of financial position a liability to make lease payments (the lease liability) and the right-of-use (ROU) asset representing the right to the underlying asset for the lease term. For leases with a term of 12 months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The Foundation's ROU asset is included in operating lease ROU assets, net, and lease liabilities are included in operating lease liability in the Foundation's statement of financial position as of June 30, 2023. The Foundation adopted ASU 2016-02 utilizing the modified retrospective approach, which allows for a cumulative effect of transition recognized at the beginning of the period of adoption. Rent expense is being recognized on a straight-line basis over the life of the leases. See Note 6 for further details.

### ***Accounting Pronouncement Issued but Not Yet Adopted***

#### *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 Accounting Standards Codification (ASC) 2014-09, *Revenue from Contracts with Customers (Topic 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, 2022. Management is currently evaluating the impact of this ASU on its financial statements.

### ***Reclassifications***

Certain amounts included in the 2022 financial statements were reclassified to conform to the 2023 presentation. These reclassifications had no effect on net assets.

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to 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, 2023*

Cash and cash equivalents	\$	290,431
Pledges receivable		1,262,000
Bequest receivable		100,000
Investments, at fair value		2,550,233
Other receivables		60,938
<b>Total Financial Assets</b>		<b>4,263,602</b>
Less:		
Contractual or donor-imposed restrictions:		
Subject to appropriation and satisfaction of donor restrictions		(2,859,297)
<b>Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year</b>	<b>\$</b>	<b>1,404,305</b>

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, 2023*

	Level 1	Level 2	Level 3	Total
Government bonds	\$ 2,539,620	\$ -	\$ -	\$ 2,539,620
Alternative investments - hedge funds, at NAV				10,613
<b>Total Investments, at fair value</b>				<b>\$ 2,550,233</b>

As of June 30, 2023, 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:

*Government Bonds* - Government bonds are valued based on quoted market prices of identical instruments in active markets. These investments are classified as Level 1.

*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,

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

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.

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 non-interest 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.

Investment income, net includes the following:

*Year ended June 30, 2023*

Interest and dividends	\$	10,679
Unrealized gain		38,748
Realized loss		(420)
<b>Total Investment Income, Net</b>	<b>\$</b>	<b>49,007</b>

### 5. Pledges Receivable, Net

Pledges receivable, net, as of June 30, 2023 are scheduled to be collected as follows:

*Year ending June 30,*

2024	\$	1,262,000
2025		617,000
2026		604,000
2027		500,000
Less: discount to present value		(254,256)
<b>Total Pledges Receivable, Net</b>	<b>\$</b>	<b>2,728,744</b>

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 4.49% is used to discount the unconditional promises as of June 30, 2023.

### 6. Right-of-Use Asset

As of June 30, 2023, the Foundation leases office space under a noncancelable operating lease with an initial term of five years through October 2023. As detailed in Note 2, the Foundation adopted the provisions of ASU 2016-02, effective July 1, 2022. Leases are classified as either finance or operating leases based on the underlying terms of the agreement and the criteria included in ASC 842, *Leases*. The Foundation's lease was deemed to be an operating lease.



# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

For leases with initial terms of greater than one year, from the beginning of the fiscal year (July 1), the Foundation records the related ROU asset and lease liability at the present value of the remaining lease payments to be paid over the life of the related lease. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless the Foundation is reasonably certain to exercise the option to extend the lease. The present value of the lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which a discount rate is not readily available, the Foundation has elected to use the risk-free rate at the date of adoption. The Foundation has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by ASC 842. As such, the Foundation accounts for the applicable non-lease components together with the related lease components when determining the ROU asset and lease liability. The Foundation has made an accounting policy election not to record leases with an initial term of less than one year as ROU assets and lease liabilities in the statement of financial position. The Foundation has elected the package of practical expedients, which includes not reassessing whether any expired or existing contracts contain leases, not reassessing the lease classification for any expired or existing leases, and not reassessing initial direct costs for any leases.

The following tables summarize information related to the lease asset and liability as of and for the year ended June 30, 2023:

### *Year ended June 30, 2023*

---

Lease costs:		
Operating lease cost	\$	177,175

---

### *June 30, 2023*

---

ROU assets and liabilities:		
Operating lease ROU asset, net	\$	54,989
Operating lease liabilities		59,583

---

### *Year ended June 30, 2023*

---

Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	172,798

---

The Foundation calculated the present value of the lease payments utilizing a discount rate of 2.84%.

The following table reconciles the undiscounted operating lease payments to the lease liabilities recorded on the accompanying statement of financial position at June 30, 2023:

### *June 30,*

---

2024	\$	59,938
Less: interest		(355)
	\$	59,583

---

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

### 7. Net Assets with Donor Restrictions

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

*June 30, 2023*

<b>Donor-Imposed Time Restrictions</b>	<b>\$ 1,351,797</b>
<b>Donor-Imposed Program Restrictions</b>	
Blood Cancer	100,000
Bladder Cancer	200,000
Samuel Waxman Laboratory	20,000
Ewing Sarcoma	25,000
Aging and Cancer	1,062,500
Triple Negative Breast Cancer	100,000
<b>Total Donor-Imposed Program Restrictions</b>	<b>1,507,500</b>
<b>Total Net Assets with Donor Restrictions</b>	<b>\$ 2,859,297</b>

During the year ended June 30, 2023, the Foundation released net assets in accordance with the donor-imposed program and time restrictions for the following purposes:

*June 30, 2023*

<b>Donor-Imposed Time Restrictions</b>	<b>\$ 501,000</b>
<b>Donor-Imposed Program Restrictions</b>	
Bladder Cancer	200,000
Breast Cancer	200,000
Liver Cancer	25,000
Triple Negative Breast Cancer	100,000
Samuel Waxman Laboratory	20,000
Blood Cancer	100,000
Aging and Cancer	362,500
Annual Symposium	16,000
<b>Total Donor-Imposed Program Restrictions</b>	<b>1,023,500</b>
<b>Total Net Assets with Donor Restrictions Releases</b>	<b>\$ 1,524,500</b>

### 8. 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. For the year ended June 30, 2023, consulting expense was \$220,000, and is included within scientific directors expense in the accompanying statement of functional expenses.

# The Samuel Waxman Cancer Research Foundation, Inc.

## Notes to Financial Statements

---

### **9. 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 employees. For the year ended June 30, 2023, the employer contribution to the plan was \$35,910 and is included in salaries and related benefits in the accompanying statement of functional expenses.

### **10. Subsequent Events**

In August 2023, the Foundation renewed the lease for its office space, which expired in October 2023, for three years through October 2026.

The Foundation's management has performed subsequent event procedures through March 19, 2024, which is the date the financial statements were available to be issued, and there were no other subsequent events requiring adjustment to the financial statements or disclosures as stated herein.