

FINANCIAL STATEMENTS



FOR THE YEAR ENDED DECEMBER 31, 2024

BLADDER CANCER ADVOCACY NETWORK

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bladder Cancer Advocacy Network
Bethesda, Maryland

Opinion

We have audited the accompanying financial statements of the Bladder Cancer Advocacy Network (BCAN), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 BCAN 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 BCAN's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 BCAN'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 BCAN'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.



May 8, 2025

BLADDER CANCER ADVOCACY NETWORK

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

ASSETS

CURRENT ASSETS

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | \$ 3,938,695 |
| Investments | 11,208,511 |
| Contributions receivable | 129,462 |
| Prepaid expenses | <u>148,097</u> |
| Total current assets | <u>15,424,765</u> |

PROPERTY AND EQUIPMENT

| | |
|--------------------------------|-----------------|
| Equipment | 58,445 |
| Computer equipment | <u>52,087</u> |
| | 110,532 |
| Less: Accumulated depreciation | <u>(86,610)</u> |
| Net property and equipment | <u>23,922</u> |

NONCURRENT ASSETS

| | |
|-------------------------|----------------|
| Right-of-use asset, net | 326,183 |
| Security deposit | <u>10,149</u> |
| Total noncurrent assets | <u>336,332</u> |

TOTAL ASSETS**\$ 15,785,019**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

| | |
|--|------------------|
| Accounts payable and accrued liabilities | \$ 302,570 |
| Refundable advance | 268,500 |
| Operating lease liability | 133,937 |
| Grants payable | <u>368,178</u> |
| Total current liabilities | <u>1,073,185</u> |

NONCURRENT LIABILITIES

| | |
|--------------------------------|------------------|
| Operating lease liability, net | <u>249,874</u> |
| Total liabilities | <u>1,323,059</u> |

NET ASSETS

| | |
|-----------------------------|-------------------|
| Without donor restrictions: | |
| Undesignated | 11,082,946 |
| With donor restrictions | <u>3,379,014</u> |
| Total net assets | <u>14,461,960</u> |

TOTAL LIABILITIES AND NET ASSETS**\$ 15,785,019**

BLADDER CANCER ADVOCACY NETWORK

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|---|------------------------------------|-----------------------------|
| SUPPORT AND REVENUE | | | |
| Contributions | \$ 4,470,040 | \$ 1,405,753 | \$ 5,875,793 |
| Investment return, net | 1,058,130 | - | 1,058,130 |
| Grants | 65,600 | - | 65,600 |
| Contributed nonfinancial assets | 118,871 | - | 118,871 |
| Conference | 52,968 | - | 52,968 |
| Other revenue | 23,358 | - | 23,358 |
| Net assets released from donor restrictions | <u>1,611,463</u> | <u>(1,611,463)</u> | <u>-</u> |
| Total support and revenue | <u>7,400,430</u> | <u>(205,710)</u> | <u>7,194,720</u> |
| EXPENSES | | | |
| Program Services: | | | |
| Research | 1,921,566 | - | 1,921,566 |
| Education and Information | 1,374,275 | - | 1,374,275 |
| Think Tank | 591,087 | - | 591,087 |
| Other Programs | <u>662,107</u> | <u>-</u> | <u>662,107</u> |
| Total program services | <u>4,549,035</u> | <u>-</u> | <u>4,549,035</u> |
| Supporting Services: | | | |
| Management and General | 1,375,608 | - | 1,375,608 |
| Fundraising | <u>300,124</u> | <u>-</u> | <u>300,124</u> |
| Total supporting services | <u>1,675,732</u> | <u>-</u> | <u>1,675,732</u> |
| Total expenses | <u>6,224,767</u> | <u>-</u> | <u>6,224,767</u> |
| Change in net assets | 1,175,663 | (205,710) | 969,953 |
| Net assets at beginning of year | <u>9,907,283</u> | <u>3,584,724</u> | <u>13,492,007</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 11,082,946</u> | <u>\$ 3,379,014</u> | <u>\$ 14,461,960</u> |

BLADDER CANCER ADVOCACY NETWORK

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

| | Program Services | | | | Supporting Services | | | | Total Expenses |
|----------------------------------|------------------------|-----------------------|-------------------|-------------------|------------------------|------------------------|-------------------|---------------------------|---------------------|
| | Education and Research | Think and Information | Other Tank | Other Programs | Total Program Services | Management and General | Fundraising | Total Supporting Services | |
| Salaries | \$ 292,840 | \$ 464,331 | \$ 116,327 | \$ 267,383 | \$ 1,140,881 | \$ 412,128 | \$ 223,652 | \$ 635,780 | \$ 1,776,661 |
| Payroll taxes | 21,145 | 33,485 | 8,354 | 19,609 | 82,593 | 29,732 | 15,943 | 45,675 | 128,268 |
| Employee benefits | 27,280 | 43,527 | 10,870 | 24,140 | 105,817 | 39,412 | 21,447 | 60,859 | 166,676 |
| IT support and online fees | - | 6,097 | 661 | 40,854 | 47,612 | 144,941 | 3,692 | 148,633 | 196,245 |
| Depreciation | - | - | - | - | - | 8,541 | - | 8,541 | 8,541 |
| Dues and membership | 1,931 | - | - | 2,200 | 4,131 | 256 | - | 256 | 4,387 |
| Equipment rental and maintenance | - | - | - | 5,088 | 5,088 | 4,426 | - | 4,426 | 9,514 |
| Grant expense | 1,551,237 | - | - | - | 1,551,237 | - | - | - | 1,551,237 |
| Professional development | - | - | - | - | - | 5,192 | - | 5,192 | 5,192 |
| Insurance | - | - | - | - | - | 8,994 | - | 8,994 | 8,994 |
| Permits and fees | - | 250 | - | 20,876 | 21,126 | 1,641 | - | 1,641 | 22,767 |
| Miscellaneous expense | - | 913 | 22 | 20,060 | 20,995 | 11,905 | - | 11,905 | 32,900 |
| Meetings and conferences | - | 198,099 | 362,410 | 2,644 | 563,153 | 4,063 | 215 | 4,278 | 567,431 |
| Occupancy expense | 21,633 | 21,886 | 5,000 | 15,652 | 64,171 | 47,775 | 22,211 | 69,986 | 134,157 |
| State registrations | - | - | - | - | - | 14,128 | - | 14,128 | 14,128 |
| Office supplies | - | 1,006 | 13 | 7,340 | 8,359 | 17,700 | 301 | 18,001 | 26,360 |
| Postage and shipping | - | 4,975 | 2,146 | 1,601 | 8,722 | 32,250 | - | 32,250 | 40,972 |
| Merchandise | - | 2,756 | 2,920 | 10,785 | 16,461 | 823 | 85 | 908 | 17,369 |
| Marketing and promotion | - | 221,601 | - | 83,538 | 305,139 | 129,506 | - | 129,506 | 434,645 |
| Printing and copying | - | 32,943 | 6,796 | 7,477 | 47,216 | 32,442 | 8,577 | 41,019 | 88,235 |
| Volunteer recognition | - | 7,001 | - | - | 7,001 | 18,441 | - | 18,441 | 25,442 |
| Travel | - | 56,222 | 73,010 | 45,153 | 174,385 | 45,054 | 4,001 | 49,055 | 223,440 |
| Consultants | 5,500 | 277,713 | 2,421 | 87,500 | 373,134 | 266,364 | - | 266,364 | 639,498 |
| Telephone and communications | - | 1,470 | 137 | 207 | 1,814 | 13,645 | - | 13,645 | 15,459 |
| Accounting and audit fees | - | - | - | - | - | 66,935 | - | 66,935 | 66,935 |
| Board expense | - | - | - | - | - | 19,314 | - | 19,314 | 19,314 |
| TOTAL | \$ 1,921,566 | \$ 1,374,275 | \$ 591,087 | \$ 662,107 | \$ 4,549,035 | \$ 1,375,608 | \$ 300,124 | \$ 1,675,732 | \$ 6,224,767 |

See accompanying notes to financial statements.

BLADDER CANCER ADVOCACY NETWORK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|------------------|
| Change in net assets | \$ 969,953 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 8,541 |
| Realized and unrealized gain on investments | (705,620) |
| Amortization of right-of-use asset | 114,194 |
| Decrease (increase) in: | |
| Contributions receivable | 178,390 |
| Prepaid expenses | (123,388) |
| Increase (decrease) in: | |
| Accounts payable and accrued liabilities | 231,808 |
| Refundable advance | 268,500 |
| Grants payable | (75,782) |
| Operating lease liability | <u>(127,925)</u> |
| Net cash provided by operating activities | <u>738,671</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|-----------------------------------|
| Purchases of property and equipment | (10,323) |
| Purchase of investments | (274,328) |
| Transfers out of investments | <u>1,464,076</u> |
| Net cash provided by investing activities | <u>1,179,425</u> |
| Net increase in cash and cash equivalents | 1,918,096 |
| Cash and cash equivalents at beginning of year | <u>2,020,599</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u><u>\$ 3,938,695</u></u> |

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Bladder Cancer Advocacy Network, Inc. (BCAN) is a nonprofit corporation that was established in 2005 as the first national patient-based advocacy organization for bladder cancer. BCAN serves as the leading voice for bladder cancer in the United States by providing resources to not only those diagnosed with the disease but also their families, caregivers and the medical community united in support of people affected by the disease.

BCAN is setting the agenda for bladder cancer by promoting and funding collaborative and cutting-edge research programs and providing critical patient support and education services. Each year, it provides thousands of patients, caregivers, and the medical community with the educational resources and support services they need to navigate their bladder cancer journey. BCAN works collaboratively with the medical and research professionals who are dedicated to the prevention, diagnosis, and treatment of bladder cancer and empowers the patient community by allowing them to share their experiences with others and to participate in building awareness of the need for a cure.

Significant Program Services -

Research -

BCAN works to advance bladder cancer research. Recognizing the overwhelming need for research funding, BCAN has engaged a new generation of researchers with the Young Investigator Research Awards, and in 2024 granted four awards. In addition, BCAN supports exceptionally novel and creative projects with great potential to produce breakthroughs in the management of bladder cancer through its Bladder Cancer Research Innovation Award, a \$300,000 grant awarded over two years. Two Research Innovation awards were granted in 2024. A new three-year Career Development Award totaling \$250,000, initiated in 2022 and continued in 2024 supports research that translates new concepts into clinical practice.

Education and Information -

BCAN hosts a variety of educational programs and publishes printed materials to educate those coping with a bladder cancer diagnosis. BCAN's comprehensive patient handbook, "Bladder Cancer Basics for the Newly Diagnosed," has been provided to thousands of survivors, caregivers, urology practices, and cancer centers across the United States. The Patient Insight Webinar Series is an interactive program that addresses a variety of issues. The webinars feature top experts in their field and address patient concerns in an easy format. The Survivor 2 Survivor program connects newly diagnosed patients with survivors with a similar diagnosis. BCAN began offering two regional Bladder Cancer Summits for Patients and Families to build and strengthen communities across the country.

Think Tank -

The Bladder Cancer Think Tank (Think Tank) is the premier scientific medical symposium dedicated solely to bladder cancer. Through collaboration, urologists, oncologists, scientists, and researchers are pioneering new treatment protocols, investigating genetic expressions, and improving access to quality care for those living with the disease. The 2024 Think Tank was held in San Diego California.

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Significant Program Services (continued) -

Other Programs

Included in Other Programs are the following:

Walk to End Bladder Cancer -

The Walk to End Bladder Cancer is BCAN's signature awareness event and primarily takes place in May. The Walks unite bladder cancer survivors, loved ones, and the medical community to promote recognition and understanding of the disease. In 2024, BCAN had over 2,500 participants register to walk across the United States excluding the participants BCAN hosted virtually.

Advocacy -

As the voice for the patient community, BCAN participates in coalitions and works with other membership groups to weigh in on policy issues that directly impact those living with bladder cancer. BCAN provides the bladder cancer community with the opportunity to build connections, identify bladder cancer state and national legislative issues of importance, and learn best practices for raising awareness of bladder cancer within communities.

Patient and Volunteer Support -

BCAN is a grassroots organization and volunteers are an important part of patient outreach. BCAN continues to expand its volunteer programs which were formalized in 2014. Survivor 2 Survivor matches newly diagnosed patients with other survivors who have had a similar experience. Through these personal connections, newly diagnosed patients learn more about living with bladder cancer and treatment options. Other programs that have been added include:

- The Bladder Cancer Call Center in collaboration with the oncology social workers from *CancerCare*.
- BCAN's Female Focus online support group meeting monthly.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Basis of presentation (continued) -

- **Net Assets with Donor Restrictions (Continued)** - Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and cash equivalents -

BCAN considers all highly liquid investments with maturities of three months or less, which are not part of the investment portfolio, to be cash and cash equivalents. Cash funds held by investment managers totaled \$1,495,556 as of December 31, 2024. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, BCAN maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets. Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. BCAN's policy is to liquidate all gifts of investments as soon as possible after the gift.

Contributions receivable -

Contributions receivable include unconditional promises to give that are expected to be collected in future years. Contributions receivable are recorded at their fair value, which is measured as the present value of the future cash flows. Management has assessed all contributions receivable to be collected within one year. Accordingly, a discount and allowance for doubtful accounts has not been recorded.

Property and equipment -

Property and equipment in excess of \$1,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense totaled \$8,541 for the year ended December 31, 2024.

Income taxes -

BCAN is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. BCAN is not a private foundation.

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Support from contributions and grants -

Contributions and grants are recognized in the appropriate category of net assets in the period received. BCAN performs an analysis of the individual contribution or grant agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions and grants with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements. Contributions and grants that are both received and released from restrictions in the same year are classified as without donor restrictions.

Conditional contributions and grants contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions and grants received in advance of meeting specified conditions established by donors are recorded as refundable advances. BCAN's refundable advances totaled \$268,500 as of December 31, 2024.

In addition, BCAN may obtain funding source agreements related to conditional contributions and grants, which will be received in future years. BCAN's unrecognized conditional contributions to be received in futures years totaled \$1,150,000 as of December 31, 2024.

Revenue from contracts with customers -

BCAN's conference revenue is treated as exchange transaction revenue following ASC Topic 606. Revenue from contracts with customers is recorded when the performance obligations are met, which is when the conference has occurred. BCAN has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on cost and/or sales price. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue.

Contributed nonfinancial assets -

Contributed nonfinancial assets are recorded at their fair value as of the date of the gift and consisted of contributed advertisements. None of the contributed nonfinancial assets were restricted by donors and none of the donated goods were monetized through sale.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Functional allocation of expenses -

The costs of providing BCAN's programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

BCAN invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, BCAN has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market BCAN has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Cash Funds* - Cash funds represent cash balances held within the investment portfolio valued at cost.

BLADDER CANCER ADVOCACY NETWORK

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

- *Exchange-Traded Funds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *U.S. Government Securities* - Valued at the closing price reported in the active market in which the individual securities are traded.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2024:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|----------------------------|-----------------------------|--------------------|--------------------|-----------------------------|
| Investments: | | | | |
| Cash funds | \$ 1,495,556 | \$ - | \$ - | \$ 1,495,556 |
| Exchange-traded funds | 2,796,230 | - | - | 2,796,230 |
| U.S. Government securities | <u>6,916,725</u> | <u>-</u> | <u>-</u> | <u>6,916,725</u> |
| TOTAL INVESTMENTS | <u>\$ 11,208,511</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 11,208,511</u> |

Net investment return consisted of the following for the year ended December 31, 2024:

| | |
|------------------------------|----------------------------|
| Interest and dividends | \$ 352,510 |
| Realized and unrealized gain | <u>705,620</u> |
| NET INVESTMENT RETURN | <u>\$ 1,058,130</u> |

3. LINE OF CREDIT

BCAN has a \$500,000 bank line of credit with a bank, which matures August 15, 2025. Variable rate interest is calculated monthly on the outstanding balance using the Wall Street Journal Prime Rate, which was 7.5% as of December 31, 2024. The terms of the line of credit agreement require that BCAN comply with certain covenants. There was no balance due on the line of credit as of December 31, 2024.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of December 31, 2024:

| | |
|---|----------------------------|
| Subject to expenditure for specified purpose: | |
| Research - TCTA | \$ 1,606,693 |
| Special Projects | 225,000 |
| Research - Outsourced | 68,825 |
| Research - Bladder Cancer Genomic Collaboration | <u>56,121</u> |
| Subtotal | 1,956,639 |
| Subject to passage of time | <u>1,422,375</u> |
| NET ASSETS WITH DONOR RESTRICTIONS | <u>\$ 3,379,014</u> |

BLADDER CANCER ADVOCACY NETWORK

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the year ended December 31, 2024:

| | |
|--|----------------------------|
| Purpose restrictions accomplished: | |
| Research | \$ 15,753 |
| Research - TCTA | 592,735 |
| Special Projects | 141,850 |
| Expiration of time restrictions | <u>861,125</u> |
| NET ASSETS RELEASED FROM DONOR RESTRICTIONS | <u>\$ 1,611,463</u> |

5. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of December 31, 2024:

| | |
|---|-----------------------------|
| Cash and cash equivalents | \$ 3,938,695 |
| Investments | 11,208,511 |
| Contributions receivable | <u>129,462</u> |
| Subtotal financial assets available within one year | 15,276,668 |
| Less: Donor restricted funds | <u>(1,956,639)</u> |
| FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR | <u>\$ 13,320,029</u> |

BCAN has a policy to structure its financial assets to be available and liquid as its obligations become due.

6. CONTRIBUTED NONFINANCIAL ASSETS

BCAN was the beneficiary of certain contributed nonfinancial assets which allowed BCAN to provide greater resources towards its various programs. Donated advertising is valued based on the market cost of the advertisement.

The contributed nonfinancial assets consisted of the following for the year ended December 31, 2024:

| | |
|----------------------------|--------------------------|
| Donated Advertising | <u>\$ 118,871</u> |
|----------------------------|--------------------------|

The contributed nonfinancial assets have been recorded in support and in the following functional expense category for the year ended December 31, 2024:

| | |
|-------------------------------|--------------------------|
| Management and General | <u>\$ 118,871</u> |
|-------------------------------|--------------------------|

The contributed nonfinancial assets have been included in Marketing and promotion in the accompanying Statement of Functional Expenses.

BLADDER CANCER ADVOCACY NETWORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

7. LEASE COMMITMENTS

BCAN follows FASB ASC 842 for leases. BCAN has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. BCAN has elected to use a risk-free rate of 1.75% as the lease discount rate for the lease as allowed under FASB ASC 842.

Operating Leases:

BCAN has an operating lease for office space in Bethesda, Maryland that expires in September 2027. The office lease includes 2.75% escalation of base rentals which is being amortized on a basis to achieve straight-line rent expense over the life of the lease.

For the year ended December 31, 2024 total lease cost was \$121,931 and total cash paid was \$135,660 for the operating lease. Lease cost is included within occupancy expense on the accompanying Statement of Functional Expenses.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of December 31, 2024:

| <u>Year Ending December 31,</u> | |
|---------------------------------|--------------------------|
| 2025 | \$ 139,380 |
| 2026 | 143,208 |
| 2027 | <u>110,349</u> |
| Subtotal | 392,937 |
| Less: Imputed interest | (9,126) |
| Less: Current portion | <u>(133,937)</u> |
| LONG-TERM PORTION | <u>\$ 249,874</u> |

8. RETIREMENT PLAN

BCAN has a retirement plan covering all eligible employees as defined in the Plan document. BCAN contributes 4% of each employee's annual compensation. BCAN's contributions to the Plan totaled \$50,164 for the year ended December 31, 2024 and have been included in Employee benefits in the accompanying Statement of Functional Expenses.

9. COMMITMENTS

BCAN is committed under agreements for conference space through the fiscal year ending 2026. The total commitments under the agreements are not determinable as it depends upon attendance and other unknown factors. There are cancellation penalties that would be due if the agreements were cancelled prior to the event date. The amount of the cancellation penalties increase through the date of the event.

10. SUBSEQUENT EVENTS

In preparing these financial statements, BCAN has evaluated events and transactions for potential recognition or disclosure through May 8, 2025, the date the financial statements were issued.