

ALK Positive, Inc.

**Financial Statements
December 31, 2024**

ALK Positive, Inc.

Financial Statements

December 31, 2024

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Independent Auditor's Report

To the Board of Directors
ALK Positive, Inc.
Atlanta, Georgia

Opinion

We have audited the financial statements of ALK Positive, Inc. (a nonprofit corporation, the "Organization"), which comprise the statement of financial position as of December 31, 2024, 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 Organization as of December 31, 2024, 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 Organization 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 Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

To the Board of Directors
ALK Positive, Inc.

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 Organization'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 Organization'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.

Ciuni + Panichi, Inc.

Cleveland, Ohio
May 18, 2025

ALK Positive, Inc.

Statement of Financial Position

December 31, 2024 (with comparative totals for 2023)

	<u>Assets</u>	
	2024	2023
Current assets:		
Cash and cash equivalents	\$ 1,547,913	\$ 1,431,087
Accounts receivable	4,000	2,327
Contributions receivable	588,902	146,463
Investments	3,014,436	2,746,450
Advance payment on conditional grant	300,000	300,000
Prepaid expenses	51,071	26,224
Total current assets	5,506,322	4,652,551
Other assets:		
Website	107,870	44,375
Trademark	3,312	3,312
Total other assets	111,182	47,687
Total assets	\$ 5,617,504	\$ 4,700,238
	<u>Liabilities and Net Assets</u>	
Current liabilities:		
Accounts payable	\$ 73,476	\$ 117,885
Accrued payroll liabilities	9,868	16,592
Other accrued expenses	9,595	1,966
Grant payable	-	875,000
Total current liabilities	92,939	1,011,443
Net assets:		
Without donor restrictions	3,576,304	2,463,997
With donor restrictions	1,948,261	1,224,798
Total net assets	5,524,565	3,688,795
Total liabilities and net assets	\$ 5,617,504	\$ 4,700,238

The accompanying notes are an integral part of these financial statements

ALK Positive, Inc.

Statement of Activities

For the year ended December 31, 2024 (with comparative totals for 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and other support:				
Contributions	\$ 1,454,112	\$ 2,120,631	\$ 3,574,743	\$ 2,533,927
Investment return, net	120,478	-	120,478	53,353
Ticket sales	8,938	-	8,938	18,525
Miscellaneous income	10,110	-	10,110	2,858
Net assets released from restrictions	1,397,168	(1,397,168)	-	-
Total revenue and other support	2,990,806	723,463	3,714,269	2,608,663
Expenses:				
Program services	1,662,869	-	1,662,869	3,211,670
Supporting services:				
Management and general	129,680	-	129,680	144,215
Fundraising	85,950	-	85,950	38,224
Total expenses	1,878,499	-	1,878,499	3,394,109
Change in net assets	1,112,307	723,463	1,835,770	(785,446)
Net assets, beginning of year	2,463,997	1,224,798	3,688,795	4,474,241
Net assets, end of year	\$ 3,576,304	\$ 1,948,261	\$ 5,524,565	\$ 3,688,795

The accompanying notes are an integral part of these financial statements

ALK Positive, Inc.

Statement of Functional Expenses

For the year ended December 31, 2024 (with comparative totals for 2023)

	Program Services			Supporting Services				
	Program	Links for Lungs	Total	Management and General	Fundraising	Total	2024 Total	2023 Total
Salaries, payroll taxes, and benefits	\$ 397,415	\$ -	\$ 397,415	\$ 37,117	\$ 78,890	\$ 116,007	\$ 513,422	\$ 463,963
Program supplies	263,177	-	263,177	-	-	-	263,177	231,966
Research grants, net of \$123,341 of returned grant funds	849,844	2,500	852,344	-	-	-	852,344	2,388,548
Travel	40,240	-	40,240	-	-	-	40,240	54,126
Marketing	-	-	-	-	-	-	-	51,701
Bank charges	-	798	798	27,783	-	27,783	28,581	18,961
Professional services	33,432	-	33,432	4,024	376	4,400	37,832	44,146
Accounting	-	-	-	47,457	-	47,457	47,457	31,995
Equipment and software	18,769	120	18,889	3,487	4,386	7,873	26,762	26,313
Second Opinion program	7,477	-	7,477	-	-	-	7,477	7,965
Patient services	250	-	250	-	-	-	250	4,307
Insurance	4,437	-	4,437	217	107	324	4,761	7,102
Interest	-	-	-	463	-	463	463	-
Licenses and fees	13,263	-	13,263	1,562	494	2,056	15,319	7,584
Meetings and events	7,557	-	7,557	42	-	42	7,599	42,614
Postage	7,387	-	7,387	964	262	1,226	8,613	5,866
Dues and subscriptions	6,467	-	6,467	-	-	-	6,467	3,725
Printing	8,676	-	8,676	247	253	500	9,176	294
Telephone and internet	631	-	631	1,440	440	1,880	2,511	2,717
Miscellaneous	105	-	105	4,877	742	5,619	5,724	-
Website	-	324	324	-	-	-	324	216
Total expenses	<u>\$ 1,659,127</u>	<u>\$ 3,742</u>	<u>\$ 1,662,869</u>	<u>\$ 129,680</u>	<u>\$ 85,950</u>	<u>\$ 215,630</u>	<u>\$ 1,878,499</u>	<u>\$ 3,394,109</u>

The accompanying notes are an integral part of these financial statements

ALK Positive, Inc.

Statement of Cash Flows

For the year ended December 31, 2024 (with comparative totals for 2023)

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 1,835,770	\$ (785,446)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized gain on investments	(3,237)	(2,975)
(Increase) decrease in operating assets and liabilities:		
Accounts receivable	(1,673)	14,283
Contributions receivable	(442,439)	6,193
Advance payment on conditional grant	-	(300,000)
Prepaid expenses	(24,847)	(25,267)
Accounts payable	(44,409)	78,947
Accrued payroll liabilities	(6,724)	14,266
Other accrued expenses	7,629	46
Grant payable	(875,000)	875,000
Net cash provided (used) by operating activities	445,070	(124,953)
Cash flows from investing activities:		
Purchases of investments	(264,749)	(2,085,545)
Website development costs	(63,495)	(34,375)
Net cash used by investing activities	(328,244)	(2,119,920)
Net increase (decrease) in cash and cash equivalents	116,826	(2,244,873)
Cash and cash equivalents, beginning of year	1,431,087	3,675,960
Cash and cash equivalents, end of year	\$ 1,547,913	\$ 1,431,087

The accompanying notes are an integral part of these financial statements

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 1: Nature of Activities

ALK Positive, Inc. (the “Organization”) is a patient driven 501c(3) nonprofit corporation providing support, empathy and research funding to change the future for ALK-positive cancer patients. ALK-positive cancer is estimated to occur in approximately 70,000-100,000 patients worldwide every year. Although the vast majority of cases occur as lung cancer, it can also originate in many other organs. The median age for ALK-positive patients at diagnosis is about 50 years with many in their forties, thirties and even younger. Approximately 55% of ALK-positive patients are female and the disease occurs with people of all races.

In 2017, some ALK-positive cancer patients and caregivers formed the Outreach Management Group to partner with the LUNGeVity Foundation in order to raise funds for cancer research. In 2018, the partnership was formalized into a joint fundraising and research agreement with both LUNGeVity and the GO2 Foundation for Lung Cancer. From 2017 to 2021, the partnerships generated over \$4.7M in contributions and awarded \$2.8M in translational research grants with the purpose of improving ALK-positive cancer patient outcomes. By March 2021, the Outreach Management Group had incorporated and was recognized by the IRS as a 501c(3) non-profit organization called ALK Positive, Inc. During 2021-2022, another approximately \$3.4M in contributions was generously raised with research grants totaling approximately \$2.6M awarded. For 2023, contributions totaled approximately \$2.5M with research grants outlays of approximately \$2.3M. A Director of Research and Clinical Affairs and an Executive Director were hired in 2022, and a Development Manager was hired in 2023. For 2024, fundraising totaled approximately \$3.6M with research grants outlays of approximately \$852,000. Investments were made to the Break Through Cancer project, with an initial amount of \$500,000 as part of a \$2 million, 4-year commitment. A Medical Team Project Manager was hired to support the work of the Director of Research and Clinical Affairs, as well as the Medical Committee.

The mission of the Organization as a patient-driven organization is to seek a cure for ALK-positive cancer and works to improve patients’ quality of life and life expectancy worldwide. As an online patient-led organization in over 70 countries, the organization offers patient research, education, resources and awareness programs to meet its mission objectives. The Organization is supported primarily by contributions.

By far the most effective treatments for ALK-positive cancer are the oral ALK tyrosine kinase inhibitors (TKI’s). These are now FDA approved in 1st, 2nd and 3rd generation versions, each generation more effective than the previous. However, while TKI’s have improved median overall survival from a few months to many years, ALK-positive cancers inevitably mutate and become resistant to all TKIs. The Organization initially created the Research Review Panel (committee) comprising volunteer ALK-positive cancer patients, caregivers and world-renowned scientific and research experts to help review and award the most promising ALK-positive cancer research projects to improve patient outcomes. In 2022, this research team was expanded to:

- Research Acceleration Committee: Accelerate academic and biotech research that leads to new therapies for ALK-positive patients, including immunotherapies and combination therapies, and new clinical trials, via collaboration with academia, industry, and venture capital.
- Clinical Trials Committee: Collaborate with academia and industry to develop new frameworks for clinical trials, and to accelerate creation, effective enrollment and successful readouts for clinical trials involving and beneficial to ALK-positive patients.

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 1: Nature of Activities (continued)

- Translational Investigations Group: Frame and implement an internal ALK-positive research program that addresses key questions for which answers will enable the development of new ALK therapies, biomarkers of treatment response and accelerated clinical trials.

In 2024, the Medical Committee helped connect, collaborate and partner with academic institutions, pharmaceutical companies and biotechs to accelerate research to generate new insights into the biochemical and cellular mechanisms that cause and control ALK-positive cancer.

Note 2: Summary of Significant Accounting Policies and Procedures

Organization

The accompanying financial statements include the activity of ALK Positive, Inc. and Links for Lungs Denver (LFL), an organization for which ALK Positive, Inc. serves as the fiscal sponsor. ALK Positive, Inc. became the fiscal sponsor for LFL in 2023.

Basis of Presentation

The Organization follows authoritative guidance issued by the Financial Accounting Standards Board (FASB) which established the FASB Accounting Standards Codification (ASC) as the single source of authoritative accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations, whether due to time or purpose.

Net Assets With Donor Restrictions – Net assets whose use has been limited by a donor to a specific time period or purpose. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 2: Summary of Significant Accounting Policies and Procedures

Use of Estimates

The preparation of 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 and 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.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents, except those amounts held in the investment portfolio for long-term purposes.

Contributions and Contributions Receivable

Contributions received are recorded as without donor restriction or with donor restriction depending on the existence and/or nature of any donor-imposed restrictions. Support received with no donor-imposed restrictions is reported as an increase in net assets without donor restrictions; support received with donor-imposed restrictions is reported as an increase in net assets with donor restrictions.

Contributions receivable represents amounts promised during the year but not received as of the statement of financial position date. The Organization estimates that all contributions receivable will be received in full during the following fiscal year and therefore, no provision for potentially uncollectible amounts is deemed necessary.

Investments

The Investments Topic of the ASC requires that covered investments be reported in the statement of financial position at fair value with any realized and unrealized gains and losses reported in the statement of activities. Investment income and gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless a donor or law restricts their use.

Donated investments are reflected as contributions at their estimated fair values at date of receipt and are reported in the activity of net assets without donor restrictions unless restricted, either by law or explicit donor stipulation, in which case they would be reported in the activity of net assets with donor restrictions.

Dividend and interest income and realized and unrealized gains and losses on investments are reflected as “investment return, net” on the accompanying statement of activities.

Website

The Organization has a website that is recorded at cost. Once the website is placed into service, the website will be amortized utilizing the straight-line method over its estimated useful life (three years).

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 2: Summary of Significant Accounting Policies and Procedures (continued)

Trademark

The Organization has a trademark with an indefinite life and a cost basis of \$3,312. No impairment loss was recognized during the year ended December 31, 2024.

Revenue Recognition

The Organization identifies a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance, and collectability of consideration is probable.

Earned revenue sources include revenue from ticket sales for the Summit conference, and revenue from a research study project. Revenue from ticket sales is recognized over time, over the length of the conference. Revenue from the research study is recognized over time, over the length of the project.

There are multiple performance obligations included in each ticket sale, including conference entry, food, and merchandise. However, it was determined that it was not cost beneficial to segregate out these performance obligations, and all performance obligations are met during the fiscal year. As a practical expedient, the Organization may apply revenue recognition guidance to a portfolio of contracts with similar characteristics if the Organization reasonably expects the effects on the financial statements of applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts (or performance obligations) within that portfolio. The Organization is taking the practical expedient approach, as contracts are very similar as it relates to each customer.

The Organization had \$16,938 of revenue recognized over time for the year ended December 31, 2024. The Organization had \$2,110 of revenue recognized at a point in time at December 31, 2024.

Receivables were \$4,000 and \$2,327 at December 31, 2024 and 2023, respectively. There were no contract assets or liabilities at December 31, 2024 and 2023.

Income Taxes

ALK Positive, Inc. is tax-exempt, under Section 501c(3) of the Internal Revenue Code of 1986. No provision for federal income taxes has been reported in the accompanying financial statements.

ALK Positive, Inc. accounts for income taxes in accordance with the "Income Taxes" topic of the FASB ASC. Uncertain income tax positions are evaluated at least annually by management. ALK Positive, Inc. classifies interest and penalties related to income tax matters as income tax expense in the accompanying financial statements. As of December 31, 2024, ALK Positive, Inc. has identified no uncertain income tax positions and has incurred no amounts for income tax penalties and interest for the year then ended.

ALK Positive, Inc. files its Federal Form 990 in the U.S. federal jurisdiction.

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 2: Summary of Significant Accounting Policies and Procedures (continued)

Functional Expenses

For the year ended December 31, 2024, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocations are determined by management on a rational and systematic basis. Expenses are assigned directly to the program or functional area benefited. Costs that benefit multiple functional areas have been allocated across programs and other supporting services based on employee salary allocations.

Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash, investments, and contributions receivable.

At various times during the year ended December 31, 2024, the Organization's cash in bank balances may have exceeded the federally insured limits.

At December 31, 2024, approximately 76% of contributions receivable was due from one donor. The same donor accounted for 17% of contributions revenue during 2024.

Though the market value of investments is subject to fluctuations on a daily basis, the Board of Directors believes that the investment mix is prudent for the long-term welfare of the Organization.

Subsequent Events

Management has evaluated subsequent events through May 18, 2025, the date the financial statements were available to be issued.

Note 3: Fair Value Measurements

In accordance with the "Fair Value Measurements" topic of the FASB ASC, the Organization uses a three-level fair value hierarchy that categorizes assets and liabilities measured at fair value based on the observability of the inputs utilized in the valuation. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset, and are based on the best available information which has been internally developed.

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 3: Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2024</u>
Money market funds	\$ 3,005,670	\$ -	\$ -	\$ 3,005,670
Common stock	<u>8,766</u>	<u>-</u>	<u>-</u>	<u>8,766</u>
	\$ <u>3,014,436</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,014,436</u>

Investment return, net is consisted of the following for the year ended December 31, 2024:

Net realized and unrealized gain	\$ 3,237
Dividends and interest	<u>117,241</u>
Investment return, net	\$ <u>120,478</u>

Note 4: Related-Party Transactions

The Organization received \$69,046 in contributions from employees and members of the Board of Directors during the year ended December 31, 2024. The Organization had outstanding contributions receivable due from employees and members of the Board of Directors of \$13,526 at December 31, 2024.

Note 5: Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31, 2024:

Research	\$ 1,418,633
ALK Life Study	62,527
Summit	332,334
Links for Lungs	91,260
Second Opinion	<u>43,507</u>
Total	\$ <u>1,948,261</u>

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 5: Net Assets with Donor Restrictions (continued)

Net assets with donor restrictions were released from donor restrictions as follows during the year ended December 31, 2024:

Research	\$ 882,009
ALK Life Study	37,473
Staff development	139,205
Summit	261,637
Links for Lungs	3,742
Website	65,625
Second Opinion	<u>7,477</u>
Total	\$ <u>1,397,168</u>

Note 6: Retirement Plan

Employees are eligible to participate in a 401(k) retirement plan after 90 days of employment. The Organization matches 100% of employee contributions up to 3% of the employee's gross wages. For the year ended December 31, 2024, the Organization incurred \$7,252 in matching expense.

Note 7: Commitments and Contingencies

The Organization collaborates with Break Through Cancer, The Ohio State University, and the Lung Cancer Research Foundation (LCRF) to fund lung cancer research grants. Payments to these foundations are conditional upon meeting certain benchmarks in the grant. Due to their conditional nature, these commitments are not recorded in the financial statements of the Organization until the conditions of the grant are met.

During the year ended December 31, 2024, the Organization entered into a \$2,000,000 conditional agreement with Break Through Cancer. During the year ended December 31, 2024, some of the conditions on this grant were met, and \$500,000 was paid to Break Through Cancer and reflected within research grants on the accompanying statement of functional expenses. The remaining \$1,500,000 is outstanding as a conditional promise at December 31, 2024.

During the year ended December 31, 2024, the Organization entered into a \$252,775 conditional agreement with The Ohio State University. During the year ended December 31, 2024, some of the conditions on this grant were met, and \$126,388 was paid to The Ohio State University and reflected within research grants on the accompanying statement of functional expenses. The remaining \$126,387 is outstanding as a conditional promise at December 31, 2024.

During the year ended December 31, 2024, the Organization entered into a \$296,464 conditional agreement with The Ohio State University. During the year ended December 31, 2024, some of the conditions on this grant were met, and \$148,232 was paid to The Ohio State University and reflected within research grants on the accompanying statement of functional expenses. The remaining \$148,232 is outstanding as a conditional promise at December 31, 2024.

ALK Positive, Inc.

Notes to Financial Statements

December 31, 2024

Note 7: Commitments and Contingencies (continued)

In a prior year, the Organization entered into a \$1,800,000 conditional grant agreement with LCRF. Conditions have not been met as of December 31, 2024 or 2023. During the year ended December 31, 2023, the Organization paid \$300,000 to LCRF, which was recorded as an “advance payment on conditional grant” on the accompanying statement of financial position at December 31, 2023, and remained at December 31, 2024. The remaining \$1,500,000 was outstanding as a conditional promise. In fiscal 2024, it was determined that this research grant would not continue, and conditions would not be met. Subsequent to December 31, 2024, the grant agreement was officially terminated and the \$300,000 was returned to the Organization.

During the year ended December 31, 2022, ALK Positive entered into a \$1,750,000 conditional agreement with LUNGeVity. During the year ended December 31, 2023, the conditions on this grant were met, and \$875,000 was paid to LUNGeVity. The remaining \$875,000 was paid in 2024, net of \$123,564 of unspent funds from a prior grant agreement with LUNGeVity.

Note 8: Liquidity and Availability of Resources

The Organization’s financial assets available within one year of December 31, 2024 for general expenditure are as follows:

Cash and cash equivalents	\$ 1,547,913
Accounts receivable	4,000
Contributions receivable	588,902
Investments	3,014,436
Advance payment on conditional grant	<u>300,000</u>
	5,455,251
Less: amounts unavailable for general expenditures within one year, due to:	
Restricted by donor – Links for Lungs	(25,000)
Restricted by donor – Second Opinion	<u>(30,000)</u>
	<u>(55,000)</u>
Total financial assets available within one year	\$ <u>5,400,251</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization’s goal is generally to maintain financial assets to meet six months of operating expenses. Management considers donor restricted contributions that will be used within one year as part of its ordinary operations as being available for general expenditures.