

American Brain Tumor Association

Financial Statements and Independent Auditors' Report

December 31, 2025 and 2024

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
American Brain Tumor Association
Chicago, Illinois

Opinion

We have audited the financial statements of American Brain Tumor Association (the ABTA), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ABTA as of December 31, 2025 and 2024, and results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ABTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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.



Responsibilities of Management for the Financial Statements (Continued)

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 ABTA's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 ABTA'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 ABTA'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.

MILLER, COOPER & CO., LTD.

A handwritten signature in black ink that reads "Miller, Cooper & Co., Ltd." in a cursive script.

Certified Public Accountants

Deerfield, Illinois

July 30, 2026

American Brain Tumor Association

Statements of Financial Position

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 3,930,121	\$ 4,470,437
Investments	3,962,046	3,463,856
Accounts receivable		
Grants receivable, current portion	383,112	559,984
Trade receivable	17,118	23,866
Prepaid expenses and deposits	326,786	218,182
Total current assets	<u>8,619,183</u>	<u>8,736,325</u>
 Property and equipment, net	 <u>201,863</u>	 <u>254,977</u>
 Other assets		
Grant receivable, net, less current portion	233,654	440,976
Right-of-use asset, operating lease	344,036	395,512
Security deposits	10,937	16,437
Total other assets	<u>588,627</u>	<u>852,925</u>
	<u><u>\$ 9,409,673</u></u>	<u><u>\$ 9,844,227</u></u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association

Statements of Financial Position

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 40,296	\$ 50,205
Accrued expenses	221,235	181,357
Current portion of grants payable	542,500	725,000
Current maturities of operating lease liability	120,645	112,816
Unearned revenues	194,307	154,559
Total current liabilities	<u>1,118,983</u>	<u>1,223,937</u>
Long-term liabilities		
Grants payable, less current portion	-	100,000
Operating lease liability, less current maturities	386,944	507,589
Total long-term liabilities	<u>386,944</u>	<u>607,589</u>
Net assets		
Without donor restrictions	6,001,985	5,713,335
With donor restrictions	1,901,761	2,299,366
Total net assets	<u>7,903,746</u>	<u>8,012,701</u>
	<u><u>\$ 9,409,673</u></u>	<u><u>\$ 9,844,227</u></u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association
Statements of Activities
For the years ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues						
Contributions	\$ 2,534,904	\$ 1,612,725	\$ 4,147,629	\$ 2,104,789	\$ 1,884,515	\$ 3,989,304
Contributed non-financial assets	20,161	-	20,161	20,000	-	20,000
Contributions from fundraising activities	2,612,533	-	2,612,533	2,292,577	-	2,292,577
Fundraising activities, net of direct costs of \$734,510 and \$763,886 in 2025 and 2024, respectively	224,390	-	224,390	150,527	-	150,527
Investment return, net	598,273	-	598,273	441,586	-	441,586
Other income	21,918	-	21,918	21,467	-	21,467
Net assets released from restriction	2,010,330	(2,010,330)	-	1,337,775	(1,337,775)	-
Total revenues	<u>\$ 8,022,509</u>	<u>\$ (397,605)</u>	<u>\$ 7,624,904</u>	<u>\$ 6,368,721</u>	<u>\$ 546,740</u>	<u>\$ 6,915,461</u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association
Statements of Activities
For the years ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Expenses						
Program services	\$ 6,207,144	\$ -	\$ 6,207,144	\$ 6,271,826	\$ -	\$ 6,271,826
Fundraising	500,836	-	500,836	557,099	-	557,099
Management and general	1,025,879	-	1,025,879	985,485	-	985,485
Total expenses	<u>7,733,859</u>	<u>-</u>	<u>7,733,859</u>	<u>7,814,410</u>	<u>-</u>	<u>7,814,410</u>
 Change in net assets	 288,650	 (397,605)	 (108,955)	 (1,445,689)	 546,740	 (898,949)
 Net assets, beginning of year	 <u>5,713,335</u>	 <u>2,299,366</u>	 <u>8,012,701</u>	 <u>7,159,024</u>	 <u>1,752,626</u>	 <u>8,911,650</u>
 Net assets, end of year	 <u><u>\$ 6,001,985</u></u>	 <u><u>\$ 1,901,761</u></u>	 <u><u>\$ 7,903,746</u></u>	 <u><u>\$ 5,713,335</u></u>	 <u><u>\$ 2,299,366</u></u>	 <u><u>\$ 8,012,701</u></u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association
Statement of Functional Expenses
For the year ended December 31, 2025

Program Services

	Program Services							
	Medical & Scientific Research Grants	Patient & Caregiver Support	Public Education & Awareness	Healthcare/ Professional Outreach	Total	Fundraising	Management and General	Total
Grants and other assistance to organizations	\$ -	\$ -	\$ 300,770	\$ -	\$ 300,770	\$ -	\$ -	\$ 300,770
Grants and other assistance to individuals	1,067,236	403,256	-	-	1,470,492	-	-	1,470,492
Employee expenses								
Compensation of current officers	173,761	26,732	-	26,732	227,225	13,366	26,732	267,323
Other salaries and wages	659,536	944,837	66,176	459,299	2,129,848	223,911	558,177	2,911,936
Employee benefit plans	19,503	22,739	1,549	11,375	55,166	5,553	13,689	74,408
Health insurance	149,808	174,666	11,897	87,377	423,748	42,657	105,153	571,558
Payroll taxes	62,320	72,662	4,949	36,349	176,280	17,745	43,744	237,769
Fees for services	80,164	104,592	5,195	46,228	236,179	42,934	90,228	369,341
Advertising and promotion	15,904	238,565	-	-	254,469	63,392	-	317,861
Office expenses	175,402	86,861	1,832	36,684	300,779	29,286	42,382	372,447
Information technology	84,872	111,963	-	45,208	242,043	27,989	54,420	324,452
Travel	92,280	38,589	2,166	29,823	162,858	7,765	19,142	189,765
Conferences/conventions/ meetings	23,320	9,810	1,080	10,090	44,300	2,110	5,193	51,603
Special events	-	-	-	-	-	734,510	-	734,510
Depreciation	18,850	20,417	-	10,214	49,481	5,000	12,300	66,781
Other expenses	48,590	58,572	-	26,344	133,506	19,128	54,719	207,353
	2,671,546	2,314,261	395,614	825,723	6,207,144	1,235,346	1,025,879	8,468,369
Less special events netted with revenues	-	-	-	-	-	(734,510)	-	(734,510)
Total expenses on								
Statement of Activities	\$ 2,671,546	\$ 2,314,261	\$ 395,614	\$ 825,723	\$ 6,207,144	\$ 500,836	\$ 1,025,879	\$ 7,733,859

The accompanying notes are an integral part of this financial statement.

American Brain Tumor Association
Statement of Functional Expenses
For the year ended December 31, 2024

Program Services

	Program Services							
	Medical & Scientific Research Grants	Patient & Caregiver Support	Public Education & Awareness	Healthcare / Professional Outreach	Total	Fundraising	Management and General	Total
Grants and other assistance to organizations	\$ -	\$ -	\$ 167,500	\$ -	\$ 167,500	\$ -	\$ -	\$ 167,500
Grants and other assistance to individuals	1,283,327	341,095	-	-	1,624,422	-	-	1,624,422
Employee expenses								
Compensation of current officers	195,636	30,098	-	30,098	255,832	15,049	30,098	300,979
Other salaries and wages	586,815	993,608	62,434	474,772	2,117,629	253,667	532,085	2,903,381
Employee benefit plans	18,261	23,892	1,457	11,783	55,393	6,271	13,051	74,715
Health insurance	145,828	190,791	11,636	94,094	442,349	50,082	104,221	596,652
Payroll taxes	56,228	73,565	4,487	36,281	170,561	19,310	40,186	230,057
Fees for services	73,709	109,091	4,771	46,671	234,242	44,959	84,511	363,712
Advertising and promotion	17,076	256,142	-	-	273,218	68,304	-	341,522
Office expenses	137,185	96,150	1,560	30,486	265,381	29,513	37,283	332,177
Information technology	78,160	120,011	-	45,656	243,827	31,635	50,584	326,046
Travel	87,478	40,064	2,029	30,325	159,896	8,733	18,174	186,803
Conferences/conventions/ meetings	26,438	11,210	1,108	18,255	57,011	2,630	5,475	65,116
Special events	-	-	-	-	-	763,886	-	763,886
Depreciation	19,650	23,810	-	11,743	55,203	6,250	13,008	74,461
Other expenses	53,364	64,509	-	31,489	149,362	20,696	56,809	226,867
	2,779,155	2,374,036	256,982	861,653	6,271,826	1,320,985	985,485	8,578,296
Less special events netted with revenues	-	-	-	-	-	(763,886)	-	(763,886)
Total expenses on								
Statement of Activities	\$ 2,779,155	\$ 2,374,036	\$ 256,982	\$ 861,653	\$ 6,271,826	\$ 557,099	\$ 985,485	\$ 7,814,410

The accompanying notes are an integral part of this financial statement.

American Brain Tumor Association
Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ (108,955)	\$ (898,949)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	66,812	74,461
Noncash component of operating lease expense	51,476	70,243
Realized and unrealized gain on investments	(430,249)	(163,577)
(Increase) decrease in assets		
Grants receivable	384,194	49,713
Trade receivables	6,748	(7,155)
Prepaid expenses and deposits	(103,104)	(9,466)
Increase (decrease) in liabilities		
Accounts payable	(9,909)	(21,082)
Accrued expenses	39,878	(36,936)
Grants payable	(282,500)	93,500
Unearned revenues	39,748	86,082
Operating lease liability	(112,816)	(51,007)
Net cash used in operating activities	<u>(458,677)</u>	<u>(814,173)</u>
Cash flows from investing activities		
Sale of investments	764,037	625,301
Purchase of investments	(831,978)	(816,651)
Purchase of property, plant, and equipment	(13,698)	(13,801)
Net cash used in investing activities	<u>(81,639)</u>	<u>(205,151)</u>
Net change in cash and cash equivalents	(540,316)	(1,019,324)
Cash and cash equivalents, beginning of year	<u>4,470,437</u>	<u>5,489,761</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,930,121</u></u>	<u><u>\$ 4,470,437</u></u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association
Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Supplemental disclosure of cash flow information		
Cash paid for amounts included in the measurement of lease liability:		
Operating cash flows used for operating lease	<u>\$ 133,308</u>	<u>\$ 74,339</u>

The accompanying notes are an integral part of these financial statements.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

1. Nature of Association

The American Brain Tumor Association (the ABTA) is a not-for-profit association, is a national independent organization dedicated to funding brain tumor research and providing patient services and education. The ABTA solicits contributions and grants from individuals, trusts, corporations, and other not-for-profit organizations throughout the United States of America.

In order to attain the above stated goals, the ABTA awards basic research fellowships, discovery grants, medical student summer fellowships and collaborative research grants based on the recommendations of its distinguished Scientific Advisory Council. The ABTA provides patient services, including educational literature that explains relevant medical terms, basic information about the brain and brain tumors and treatment options.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements of the ABTA have been prepared in accordance with U.S. generally accepted accounting principles (GAAP), which require the ABTA to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the ABTA. These net assets may be used at the discretion of the ABTA's management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature: those restrictions will be met by actions of the ABTA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At December 31, 2025 and 2024, all of the ABTA's net assets with donor restrictions were temporary in nature.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

b. Cash Equivalents

For purposes of the statement of cash flows, the ABTA considers all highly liquid investments with a maturity of three months or less at the date of purchase to be cash equivalents.

c. Investments

Investments consist of government securities, mortgage-backed securities, exchange-traded funds, equity securities and mutual funds that are valued as described in Note 2-l. Net investment return is included in operating revenues in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment expenses. Net realized and unrealized gain on investments is reported net of management fees of \$41,008 and \$38,430 for the years ended December 31, 2025 and 2024, respectively.

d. Grants Receivable

Grants receivable, which include unconditional promises to give, are measured at their fair values and are reported as increases in net assets and accounts receivable if not yet received. Management deems all accounts receivable to be fully collectible.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discount on those amounts is computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

e. Property and Equipment

Property and equipment is stated at cost if purchased. Contributed assets are calculated at their estimated fair market value on the date of receipt. Depreciation is provided on a straight-line basis over the estimated useful lives of three to fifteen years.

Leasehold improvements are amortized over the shorter of its lease term or useful life.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

f. Revenue and Contribution Recognition

Contributions

The ABTA reports gifts of cash and other assets as with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. Gifts of cash and other assets that are received without donor stipulations limiting the use of the donated assets are reported as without donor restriction support.

Fundraising Activities

The ABTA recognizes revenue upon delivery of goods or services in an amount that reflects the consideration the ABTA expects to receive in exchange for those goods or services. The ABTA's revenue streams that fall under Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), are derived primarily from sponsorships, registration fees, and other revenues received from ABTA and non-ABTA sponsored events, which are included in the statement of activities as fundraising activities and are presented as net of the related fundraising activity expenses.

Sponsorships and registration fees, which are nonrefundable, are generally collected in advance of the event and are initially recorded as unearned revenue. Revenue is recognized when the event occurs. Sponsorships and registration fees are comprised of an exchange element based on the benefits provided, and a contribution element for the difference between the sponsorship and registration fee and the exchange element. Sponsorship and registration fee revenue approximated \$967,000 and \$914,000 for the years ended December 31, 2025 and 2024, respectively. Sponsorship and registration fee revenue continues to be recognized as revenue at a point in time when substantially all benefits have been provided, as an exchange transaction.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

f. Revenue and Contribution Recognition (Continued)

The ABTA records a contract liability when cash is received or due in advance of the ABTA's performance and is recognized into revenue as the ABTA fulfills the respective performance obligation. The ABTA's contract liabilities are included in unearned revenue in the statements of financial position. Contract liabilities were as follows as of:

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	<u>\$ 194,307</u>	<u>\$ 154,559</u>	<u>\$ 68,477</u>

g. Advertising

The ABTA expenses advertising costs as incurred. Total advertising expense was \$291,025 and \$298,869 for the years ended December 31, 2025 and 2024, respectively.

h. Tax Status

The ABTA is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

GAAP requires management to evaluate tax positions by the ABTA and recognize a tax liability if the ABTA has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities.

Management has analyzed the tax position taken by the ABTA, and has concluded that as of December 31, 2025 and 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The ABTA is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

i. Donated Items and Services

Donated services and assets are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the ABTA. The ABTA recognizes contributed nonfinancial asset revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. Donated services from volunteers who have devoted their time for administrative tasks and others who have contributed their time for assistance with the Organization's programs are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services. For the years ended December 31, 2025 and 2024, donated items and service revenues of \$20,161 and \$20,000, respectively, were recognized as contributed non-financial assets in the accompanying statements of activities related to marketing and campaign services. These services were valued at the fair value of the services provided if they had been purchased.

j. Grants Payable

Grants payable represent unconditional promises to give cash and are recorded as liabilities when they are authorized by the Board of Directors. Grants that are payable in one year or less are recorded at their net settlement value. Grants that are payable in greater than one year are recorded at fair value using the net present value of their corresponding future cash flows. Discounts on grants payable, based on risk-adjusted interest rates, are amortized over the term of those grants and are recorded as grant expense and included in program expenses in the statements of activities. See Note 10 related to conditional promises to give.

k. Use of Estimates

In preparing the Company's financial statements, management is required to make estimates and 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 period. Actual results could differ from those estimates.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

1. Fair Value of Financial Instruments

The ABTA adopted the accounting standard that establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the accounting standard are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the ABTA has the ability to access.
Level 2	Inputs to the valuation methodology include the following: * Quoted prices for similar assets or liabilities in active markets; * Quoted prices for identical or similar assets or liabilities in inactive markets; * Inputs other than quoted prices that are observable for the asset or liability; * Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

1. Fair Value of Financial Instruments (Continued)

The following is a description of the valuation methodologies used for the ABTA's financial instruments measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Cash equivalents, accounts receivable, accounts payable, and accrued expenses: Approximate fair value due to the nature or short maturity of these instruments.

Grants receivable and grants payable: Approximate fair value because the discount rate used to calculate the discounts is based on current market rates on similar financing arrangements.

Individual equity securities: Valued at the closing price reported on the active market on which the individual equity securities are traded.

Government securities: Valued using pricing models that maximize the use of observable inputs for similar securities. This includes basing values on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds and exchange-traded funds: Valued at the daily closing price as reported by the fund. Mutual funds are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds and exchange-traded funds held by the ABTA are deemed to be actively traded.

Mortgage-backed securities: Valued at fair value using discounted cash flow models and inputs related to interest rates, prepayment speeds, loss curves and market discount rates that would be required by investors in the current market given the specific characteristics and inherent credit risk of underlying collateral.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the ABTA believes that its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

1. Fair Value of Financial Instruments (Continued)

The following tables set forth by level, within the fair value hierarchy, the ABTA's investments at fair value as of December 31, 2025 and 2024.

	2025			
	Level 1	Level 2	Level 3	Total
Government securities	\$ -	\$ 215,713	\$ -	\$ 215,713
Mortgage-backed securities	-	23,392	-	23,392
Exchange-traded funds	678,096	-	-	678,096
Individual equity securities	1,577,430	-	-	1,577,430
Mutual funds	1,467,415	-	-	1,467,415
Investments, at fair value	\$ 3,722,941	\$ 239,105	\$ -	\$ 3,962,046

	2024			
	Level 1	Level 2	Level 3	Total
Government securities	\$ -	\$ 198,145	\$ -	\$ 198,145
Mortgage-backed securities	-	24,868	-	24,868
Exchange-traded funds	584,190	-	-	584,190
Individual equity securities	1,350,625	-	-	1,350,625
Mutual funds	1,306,028	-	-	1,306,028
Investments, at fair value	\$ 3,240,843	\$ 223,013	\$ -	\$ 3,463,856

It is the ABTA's policy, in general, to measure nonfinancial assets and liabilities at fair value on a nonrecurring basis. These items are not measured at fair value on an ongoing basis, but are subject to fair value adjustments in certain circumstances (such as evidence of impairment) which, if material, are disclosed in the notes to these financial statements.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

m. Functional Allocation of Expenses

The costs of providing the ABTA's program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, costs associated with a specific program are charged directly to that program. Costs that benefit more than one program have been allocated among the programs and supporting services benefited based on a systematic and rational method.

The expenses that are allocated include the following:

Expense	Method of Allocation
Grants and other assistance to organizations	Direct
Grants and other assistance to individuals	Direct
Employee expenses	Time and Effort
Fees for services	Direct & Time and Effort
Advertising and promotion	Direct
Office expenses	Direct & Time and Effort
Information technology	Direct & Time and Effort
Travel	Direct & Time and Effort
Conferences/conventions/meetings	Direct & Time and Effort
Special events	Direct
Depreciation	Time and Effort
Insurance	Direct
Other expenses	Direct

n. Leases

The ABTA follows the guidance under Accounting Standards Codification (ASC) 842, *Leases*, (ASC 842) which requires lessees to recognize, at the commencement date, a lease liability representing the lessee's obligation to make payments arising from the lease and a right of use asset representing the lessee's right to use or control the use of a specific asset for the lease term. The ABTA has made an accounting policy election to only apply the standard to lease agreements with terms that are greater than twelve months. ASC 842 distinguishes leases as either a finance lease or an operating lease, which affects how the leases are measured and presented in the statements of activities and statements of cash flows.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

2. Summary of Significant Accounting Policies (Continued)

n. Leases (Continued)

The ABTA determines if an arrangement is a lease or contains a lease at commencement of the contract. Operating leases are presented in operating lease ROU assets, current portion of operating lease liabilities, and long-term portion of operating lease liabilities in the accompanying statements of financial position as of December 31, 2025 and 2024.

Operating lease ROU assets and lease liabilities are initially measured based on the present value of future lease payments over the lease term as determined at each lease's commencement date.

Operating lease cost for operating leases is recognized as lease expense using the straight-line method over the term of the lease, which includes the noncancelable period under the lease.

Operating lease ROU assets include all fixed contractual lease payments and initial direct costs, less any lease incentives received from the lessor. Real estate leases generally include a lease cost, nonlease reimbursements to the lessor of the proportionate share of common area maintenance (CAM), and non-component reimbursements to the lessor of certain of the lessor's costs such as real estate taxes and lessor insurance premiums. Lease agreements do not contain any material variable lease payments, residual value guarantees, options to purchase leased assets, or restrictive covenants.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

3. Availability and Liquidity

The following tables shows the total financial assets held by the ABTA and the amounts of those financial assets could be readily be made available within one year of the statement of financial position date to meet general expenditures:

	<u>2025</u>	<u>2024</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 3,930,121	\$ 4,470,437
Investments	3,962,046	3,463,856
Accounts receivable, net	400,230	583,850
Total financial assets	<u>8,292,397</u>	<u>8,518,143</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	1,901,761	2,299,366
Other current liabilities to be settled in cash	382,176	344,378
Grants payable (Note 10)	542,500	725,000
	<u>2,826,437</u>	<u>3,368,744</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 5,465,960</u></u>	<u><u>\$ 5,149,399</u></u>

The ABTA receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations. The ABTA manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The ABTA strives to maintain liquid financial assets sufficient to cover 6-12 months of general expenditures. The ABTA also has \$250,000 line of credit (see Note 9) available to meet cash flow needs.

In addition to financial assets available to meet general expenditures over the next 12 months, the ABTA operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the Statements of Cash Flows which identify the sources and uses of the ABTA's cash and shows cash used and generated by operations for the years ended December 31, 2025 and 2024.

American Brain Tumor Association
Notes to the Financial Statements
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4. Investments

Investments consisted of the following as of December 31:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Government and mortgage-backed securities	\$ 228,668	\$ 239,105	\$ 216,189	\$ 223,013
Exchange-traded funds	305,591	678,096	316,210	584,190
Individual equity securities	1,242,268	1,577,430	1,134,868	1,350,625
Mutual funds	1,280,480	1,467,415	1,227,439	1,306,028
	<u>\$ 3,057,007</u>	<u>\$ 3,962,046</u>	<u>\$ 2,894,706</u>	<u>\$ 3,463,856</u>

\$186,235 and \$180,667 of cash and cash equivalents are included in the investment brokerage account, which is included in cash and cash equivalents on the statements of financial position at December 31, 2025 and 2024, respectively. Fixed income investments mature through 2054.

Investments are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with such investments, it is at least reasonably possible that changes in risks in the near-term would affect investment balances and the amounts reported in the financial statements.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

5. Property and Equipment

Property and equipment consisted of the following as of December 31:

	2025	2024
Furniture and fixtures	\$ 114,581	\$ 114,581
Computer software and equipment	648,493	634,795
Leasehold improvements	483,646	483,646
	<u>1,246,720</u>	<u>1,233,022</u>
Less accumulated depreciation	1,044,857	978,045
Property and equipment, net	<u><u>\$ 201,863</u></u>	<u><u>\$ 254,977</u></u>

6. Grants Receivable

Outstanding grants receivable totaled \$616,766 and \$1,000,960 as of December 31, 2025 and 2024, respectively.

The following table sets forth future collections of grants receivable at December 31:

	2025	2024
Amounts due in less than one year	\$ 378,790	\$ 596,053
Between one to five years	303,000	506,000
Discount	(65,024)	(101,093)
	<u><u>\$ 616,766</u></u>	<u><u>\$ 1,000,960</u></u>

The discount rate used was 3.92% for contributions received during the year ended December 31, 2024. Contributions received during the year ended December 31, 2025 are due in less than one year.

American Brain Tumor Association
Notes to the Financial Statements
For the years ended December 31, 2025 and 2024

7. Conditional Grant Receivable

In 2023, the ABTA was awarded a conditional grant, to be used for the Discovery Grant Program and AARN Meeting, in an amount up to \$450,000 for the period December 5, 2023 through December 4, 2025. For every \$1 of donations from new private donors, and every \$1 of incremental donations from current private donors, the grantor will award \$1 to the ABTA, up to a maximum of \$56,250 per donor per year and up to a maximum of \$225,000 per year for two years in total. Contribution revenue of \$225,000 related to this grant was recorded and invoiced in 2025 and 2024.

In 2023, the ABTA was awarded a conditional grant, to be used for GBM research, in an amount up to \$500,000 for the period January 1, 2023 through December 31, 2027. Conditions of this pledge include that the primary investigator of the grant be employed by a Chicago, IL based academic institution, the grantee will be mutually agreed upon by ABTA and the donor. Contribution revenue of \$100,000 related to this grant was recorded in 2025 and 2024.

8. Leases

The ABTA leases office space under an operating lease arrangement that is set to mature in October 2029, in Illinois. The lease requires escalating monthly rental payments ranging from \$10,493 to \$12,415 over the lease term. Additionally, the ABTA is responsible for its share of real estate taxes, common area charges, and any direct expenses as defined in the lease agreements. The lease is classified as an operating lease and reported in right-of-use assets and broken out in the non-current asset section of the ABTA's statements of financial position as of December 31, 2025 and 2024.

The ABTA has elected the practical expedient available to non-public business entities which allows a ABTA to use the risk-free rate to discount its leases when the rate implicit in the lease is not readily determinable. The risk-free rate represents the nominal yield at the later of lease commencement or the transition date applicable to U.S. Treasury instruments with a maturity of similar length to the lease term. The risk-free rate applied to operating leases in place at December 31, 2025 and 2024 was 3.67%.

Operating lease cost is recognized on a straight-line basis over the lease term. Operating lease cost for the years ended December 31, 2025 and 2024 approximated \$218,000 and \$166,000, respectively.

American Brain Tumor Association
Notes to the Financial Statements
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8. Leases (Continued)

Future undiscounted cash flows for the next four years and a reconciliation to the lease liabilities recognized on the statement of financial position are as follows as of December 31, 2025:

Years Ending December 31:	Operating Leases
2026	\$ 136,855
2027	140,402
2028	143,949
2029	122,667
Total lease payments	543,873
Less: imputed interest	36,284
Total present value of lease liabilities	507,589
Less: current lease liabilities	(120,645)
Non-current lease liabilities	\$ 386,944

The weighted-average remaining lease term and the weighted-average discount rate is as follows at December 31:

	2025	2024
Weighted average remaining lease term - operating leases	3.83 years	4.83 years
Weighted average discount rate - operating leases	3.67%	3.67%

9. Note Payable, Bank

The ABTA has an agreement with a bank for a \$250,000 line of credit, with interest at the prime rate (7.50% at December 31, 2025) plus 0.25%, which expires on November 26, 2026. The line of credit is collateralized by all assets of the ABTA. There was no outstanding balance on the line of credit at December 31, 2025 and 2024.

American Brain Tumor Association
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10. Grants Payable Commitments

The ABTA provides grants for brain tumor research. \$542,500 is expected to be paid through the year ended December 31, 2026.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes as of December 31:

	2025	2024
Research	\$ 1,452,817	\$ 1,079,829
Patient services	422,829	545,755
Time restricted	20,000	664,784
Other	6,115	8,998
	<u>\$ 1,901,761</u>	<u>\$ 2,299,366</u>

Net assets with donor restrictions were released from restrictions for the following purposes during the years ended December 31:

	2025	2024
Research	\$ 1,100,503	\$ 1,177,329
Patient Services	262,160	158,960
Time restricted	644,784	-
Other	2,883	1,486
	<u>\$ 2,010,330</u>	<u>\$ 1,337,775</u>

12. Retirement Plan

The ABTA maintains a 401(k) defined contribution plan for all eligible employees. Contributions are made solely through elective deferrals by the employee through salary reduction agreements. The ABTA matches 50% of employee contributions up to a maximum of 6% of the employee's compensation. The ABTA contributed \$74,408 and \$74,715 to the plan for the years ended December 31, 2025 and 2024, respectively.

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13. Commitments and Contingencies

Fellowships

The ABTA is committed to fund fellowships for brain tumor research. Most commitments are payable semiannually over a two-year period and are contingent on the respective recipients continuing the research for which they originally were awarded the fellowship. As the commitments are contingent, no related liability has been recorded at December 31, 2025 and 2024. The ABTA expects to pay \$386,000, \$225,000, and \$5,000 during the years ending December 31, 2026, 2027, and 2028, respectively.

14. Uninsured Cash and Cash Equivalents

The ABTA maintains its cash balances at various financial institutions located in Illinois. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. The ABTA may, from time to time, have balances in excess of FDIC insured deposit limits. At December 31, 2025, the ABTA had cash balances in excess of these insured deposit limits.

15. Subsequent Events

Management has evaluated subsequent events through July 30, 2026, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of financial position date that require disclosure in the financial statements.