National Brain Tumor Society, Inc. and Subsidiaries

Consolidated Financial Statements

December 31, 2025 and 2024

National Brain Tumor Society, Inc. and Subsidiaries
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AAFCPAs
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50 Washington Street
Westborough, MA 01581
508.366.9100
aafcpa.com

Independent Auditor's Report

To the Board of Directors of
National Brain Tumor Society, Inc. and Subsidiaries:

Opinion

We have audited the consolidated financial statements of National Brain Tumor Society, Inc. and Subsidiaries (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, cash flows and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of National Brain Tumor Society, Inc. and Subsidiaries as of December 31, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's Responsibilities for the Audit of the Consolidated 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 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 within one year after the date the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

AAFCPAs, Inc.

Westborough, Massachusetts
May 27, 2026

National Brain Tumor Society, Inc. and Subsidiaries
Consolidated Statements of Financial Position
As of December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	$ 5,003,411	$ 4,963,750
Certificates of deposit	4,715,944	3,387,862
Current portion of investments	5,839,759	4,678,916
Employee retention credit receivable	-	313,754
Current portion of pledges receivable, net of allowance for doubtful accounts	144,700	303,000
Prepaid expenses and other assets	313,467	321,815
Total current assets	16,017,281	13,969,097
Pledges Receivable, net of current portion	20,000	40,000
Convertible Notes and Interest Receivable	397,438	376,893
Non-Marketable Investments in Life Science Companies	1,092,026	650,014
Investments, net of current portion	1,778,735	1,721,594
Property and Equipment, net	13,904	74,556
Right-of-Use Assets - Operating	389,578	143,588
Intangible Asset, net	17,364	34,728
Total assets	$ 19,726,326	$ 17,010,470
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 183,710	$ 297,527
Accrued expenses and other	251,215	211,907
Research grants payable	300,000	250,000
Current portion of operating lease liabilities	149,069	115,116
Total current liabilities	883,994	874,550
Operating Lease Liabilities, net of current portion	242,367	38,272
Total liabilities	1,126,361	912,822
Net Assets		
Without donor restrictions	12,152,018	10,577,674
With donor restrictions	6,447,947	5,519,974
Total net assets	18,599,965	16,097,648
Total liabilities and net assets	$ 19,726,326	$ 17,010,470

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

National Brain Tumor Society, Inc. and Subsidiaries
Consolidated Statements of Activities and Changes in Net Assets
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
Operating Revenue						
Fundraising and special events	$ 5,718,572	$ 2,876,486	$ 8,595,058	$ 5,397,130	$ 1,853,667	$ 7,250,797
Grants and contributions	4,756,280	1,103,889	5,860,169	3,604,665	974,442	4,579,107
Bequests	69,640	-	69,640	609,592	-	609,592
Interest, dividends and other	606,035	-	606,035	499,961	-	499,961
Donated goods and services	267,781	-	267,781	86,508	-	86,508
Net assets released from purpose restrictions	3,105,488	(3,105,488)	-	2,475,857	(2,475,857)	-
Total operating revenue	14,523,796	874,887	15,398,683	12,673,713	352,252	13,025,965
Operating Expenses						
Program	11,556,307	-	11,556,307	10,442,772	-	10,442,772
Fundraising	1,081,023	-	1,081,023	1,233,459	-	1,233,459
General and administrative	968,154	-	968,154	899,198	-	899,198
Total Operating Expenses	13,605,484	-	13,605,484	12,575,429	-	12,575,429
Changes in net assets from operations	918,312	874,887	1,793,199	98,284	352,252	450,536
Non-Operating Revenue (Losses)						
Net gain on investments	656,032	53,086	709,118	351,135	29,354	380,489
Realized gain on sale of non-marketable investments in life science companies	-	-	-	85,426	-	85,426
Recovery of grant expense	-	-	-	65,000	-	65,000
Impairment loss on convertible notes and interest receivable	-	-	-	(15,000)	-	(15,000)
Impairment loss on non-marketable investments in life science companies	-	-	-	(155,633)	-	(155,633)
Total non-operating revenue (losses)	656,032	53,086	709,118	330,928	29,354	360,282
Changes in net assets	1,574,344	927,973	2,502,317	429,212	381,606	810,818
Net assets, at beginning of year	10,577,674	5,519,974	16,097,648	10,148,462	5,138,368	15,286,830
Net assets, at end of year	$ 12,152,018	$ 6,447,947	$ 18,599,965	$ 10,577,674	$ 5,519,974	$ 16,097,648

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

National Brain Tumor Society, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Changes in net assets	$ 2,502,317	$ 810,818
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	60,652	80,612
Amortization	17,364	17,363
Bad debt	19,500	37,500
Impairment loss on non-marketable investments in life science companies	-	155,633
Impairment loss on convertible notes and interest receivable	-	15,000
Realized gain on sale of non-marketable investments in life science companies	-	(85,426)
Change in lease liabilities	(7,942)	(6,170)
Recovery of grant expense	-	(65,000)
Net gain on investments	(709,118)	(380,489)
Changes in operating assets and liabilities		
Employee retention credit receivable	313,754	(37,574)
Pledges receivable	158,800	93,250
Prepaid expenses and other assets	8,348	(41,510)
Accounts payable	(113,817)	78,813
Accrued expenses and other	39,308	31,854
Research grants payable	50,000	315,000
Net cash provided by operating Activities	2,339,166	1,019,674
Cash Flows from Investing Activities		
Proceeds from sales of investments	1,462	71,007
Purchases of certificates of deposit	(4,715,944)	(3,387,862)
Maturity of certificates of deposit	3,387,862	-
Purchases of investments and dividends reinvested	(510,328)	(5,207,561)
Purchases of non-marketable investments in life science companies	(462,557)	(350,000)
Proceeds from sales of non-marketable investments in life science companies	-	439,003
Issuance of notes receivable	-	(90,118)
Net cash used in investing activities	(2,299,505)	(8,525,531)
Net Change in Cash and Cash Equivalents	39,661	(7,505,857)
Cash and Cash Equivalents, beginning of year	4,963,750	12,469,607
Cash and Cash Equivalents, end of year	$ 5,003,411	$ 4,963,750
Supplemental Disclosure of Non-cash Transactions		
Unrealized gain on investments	$ 709,118	$ 394,121
Operating right-of-use assets obtained in exchange for operating lease liabilities	$ 363,792	$ -
Notes receivable and interest converted to non-marketable investments in pharmaceutical companies	$ -	$ 100,000

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

National Brain Tumor Society, Inc. and Subsidiaries
Consolidated Statement of Functional Expenses
For the year ended December 31, 2025

	Program	Fundraising	General and Administrative	Total
Personnel Expenses				
Salaries	$ 4,281,344	$ 685,339	$ 476,816	$ 5,443,499
Payroll taxes and fringe benefits	822,153	124,707	91,312	1,038,172
Total personnel expenses	5,103,497	810,046	568,128	6,481,671
Research Grants	2,502,000	-	-	2,502,000
Special Events				
Event management fees	238,121	-	-	238,121
Venue and site costs	410,310	-	-	410,310
Participant and operational expenses	211,432	3,926	-	215,358
Event travel and meals	172,975	-	-	172,975
Other special event expenses	296,789	19,474	-	316,263
Total special events	1,329,627	23,400	-	1,353,027
Other				
Professional services	698,835	18,845	76,756	794,436
Systems and technology	271,079	67,212	50,656	388,947
Travel	299,812	9,706	44,795	354,313
Bank fees	187,296	63,104	66,193	316,593
Advertising	270,491	14,814	-	285,305
Donated goods and services	267,781	-	-	267,781
Merchandise	218,701	4,168	1,337	224,206
Technology	117,330	22,831	20,134	160,295
Occupancy	69,392	19,271	46,426	135,089
Depreciation and amortization	66,525	8,514	2,977	78,016
Public relations	51,199	4,855	-	56,054
Training and recruiting	9,327	743	30,406	40,476
Insurance	23,180	5,737	11,474	40,391
Dues and subscriptions	33,122	2,984	1,514	37,620
Postage and shipping	30,784	3,459	2,379	36,622
Office	6,329	1,334	25,479	33,142
Bad debt	-	-	19,500	19,500
Total other	2,621,183	247,577	400,026	3,268,786
Total expenses	$ 11,556,307	$ 1,081,023	$ 968,154	$ 13,605,484

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

National Brain Tumor Society, Inc. and Subsidiaries
Consolidated Statement of Functional Expenses
For the year ended December 31, 2024

	Program	Fundraising	General and Administrative	Total
Personnel Expenses				
Salaries	$ 4,126,456	$ 841,481	$ 406,390	$ 5,374,327
Payroll taxes and fringe benefits	734,909	146,266	82,126	963,301
Total personnel expenses	4,861,365	987,747	488,516	6,337,628
Research Grants	1,905,000	-	-	1,905,000
Special Events				
Event management fees	204,372	-	-	204,372
Venue and site costs	383,091	-	-	383,091
Participant and operational expenses	179,171	-	-	179,171
Event travel and meals	131,275	-	-	131,275
Other special event expenses	335,920	14,780	-	350,700
Total special events	1,233,829	14,780	-	1,248,609
Other				
Professional services	687,348	13,565	80,794	781,707
Systems and technology	290,016	55,128	49,539	394,683
Travel	300,916	10,507	24,717	336,140
Bank fees	174,553	59,118	61,873	295,544
Advertising	274,269	14,852	-	289,121
Donated goods and services	80,858	5,650	-	86,508
Merchandise	224,744	3,759	1,891	230,394
Technology	111,202	20,989	15,784	147,975
Occupancy	67,536	18,897	39,545	125,978
Depreciation and amortization	84,488	10,510	2,977	97,975
Public relations	55,200	4,800	-	60,000
Training and recruiting	3,794	1,129	39,324	44,247
Insurance	22,281	6,077	12,153	40,511
Dues and subscriptions	36,130	2,265	1,003	39,398
Postage and shipping	22,597	2,475	1,775	26,847
Office	6,646	1,211	41,807	49,664
Bad debt	-	-	37,500	37,500
Total other	2,442,578	230,932	410,682	3,084,192
Total expenses	$ 10,442,772	$ 1,233,459	$ 899,198	$ 12,575,429

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

1. Operations and Nonprofit Status

National Brain Tumor Society, Inc. (NBTS) (a Massachusetts corporation, not for profit) unrelentingly invests in, mobilizes, and unites the brain tumor community to discover a cure, deliver effective treatments and advocate for patients and care partners. NBTS advances its charitable mission through funding and enabling innovative medical research, public policy advocacy, brain tumor community health initiatives, providing patient and caregiver education, support and health care navigation, and through convening thousands of people affected by brain tumors throughout the United States. NBTS is headquartered in Newton, Massachusetts.

NBTS has subsidiary corporations in which it is the sole member:

Cure GBM, LLC (Cure GBM) is a Delaware limited liability company organized on October 3, 2012, for the purpose of operating the Defeat GBM Research Collaborative, a multi-year initiative leveraging team science among world-class research institutes and fostering collaboration in order to direct research and to accelerate drug discovery and development activities so as to advance efficacious therapies for Glioblastoma Multiforme to the clinic as quickly as possible.

NBTS Venture Fund, LLC d/b/a Brain Tumor Investment Fund (BTIF) is a Delaware limited liability company organized on March 10, 2020, for the purpose of funding research and making investments in biopharmaceutical, device and technology companies seeking to develop potentially transformative treatments for brain tumor patients. BTIF received contributions of approximately $487,869 and $429,000 in 2025 and 2024, respectively. The contributions are pooled to be invested in a portfolio of various life science companies in the form of convertible notes (see Note 10) or direct shares of stock (see Note 11).

TDG, LLC (TDG) is a Delaware limited liability company organized on February 16, 2021, for the purpose of carrying out and operating NBTS's DNA Damage Response Consortium (DDR-C). The DDR-C is grant funded multi-institutional consortium of leading medical academic centers working collaboratively to develop a class of treatments for patients with brain tumors targeting the DNA Damage Response Network. TDG received contributions totaling approximately $2,169,562 and $1,304,000 in 2025 and 2024, respectively.

NBTS is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). NBTS is also exempt from state income taxes. Donors may deduct contributions made to NBTS within the requirements of the IRC. Cure GBM, BTIF, and TDG are disregarded for the tax purposes and the activities of these entities are included in the informational returns of NBTS.

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of NBTS, Cure GBM, BTIF, and TDG. All material intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements. NBTS, Cure GBM, BTIF, and TDG are collectively referred to as the Organization in these consolidated financial statements.

Basis of Accounting

The Organization prepares its financial statements in accordance with generally accepted accounting principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

In accordance with Not-for-Profit Entities (Topic 958), the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of the assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or another measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Revenue from grants and contributions without restrictions is recorded as without donor restrictions revenue and net assets when unconditionally pledged or received. Fundraising and special events revenue represent contributions raised for the general support of the Organization and are not tied to nor conditional upon the special events taking place. Revenue from restricted grants is recorded as with donor restrictions revenue and net assets when unconditionally pledged or received. Transfers are made to without donor restrictions revenue and net assets as costs are incurred or time restrictions or program restrictions have lapsed.

2. Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

The Organization is and may be named beneficiary of trusts and wills. The amounts to be received, if any, cannot be determined and are therefore not reflected in the accompanying consolidated financial statements until received. During 2025 and 2024, the Organization received bequests totaling $69,640 and $609,592, respectively, which are shown as bequests in the accompanying consolidated statements of activities and changes in net assets.

Expense Allocation

Expenses related directly to a program are allocated to that program, while other expenses are allocated based upon management's estimate of the percentage attributable to each program. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The Organization allocates personnel expense based on time and effort, and occupancy and depreciation, based on square footage.

Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions are those net resources that bear no external restrictions and are generally available for use by the Organization.

Net Assets With Donor Restrictions

Net assets with donor restrictions represent amounts received or committed with donor restrictions which have not yet been expended for their designated purpose (purpose restricted) or amounts for use in future periods (time restricted), unspent appreciation on the endowment, and amounts received from donors with the stipulation that the principal will be held in perpetuity and only the investment income can be spent. Net assets with donor restrictions are restricted as follows as of December 31:

	2025	2024
Subject to expenditure for specific purposes:		
Research initiatives	$ 5,826,645	$ 4,733,315
Community initiatives	-	174,114
Unspent appreciation on endowment	74,648	65,891
	5,901,293	4,973,320
Subject to the Organization's endowment spending policy:		
Investment in perpetuity	546,654	546,654
	$ 6,447,947	$ 5,519,974

2. Significant Accounting Policies (Continued)

Net Assets (Continued)

The Organization manages the endowment, with a balance of $546,654, under the prudent-management standards as outlined in the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization benchmarks the investment returns of the endowment investment portfolio using the ninety-day Treasury Bill index. The Organization targets a 100% fixed income allocation, with a duration less than or equal to three years.

Income earned on the original endowment of $296,654 is restricted to support the costs of producing and distributing The Essential Guide to Brain Tumors and to fund research projects. Distributions are made annually as funds are available and costs are incurred relating to the restriction. The Organization has a second endowment of $250,000 which is restricted to fund brain tumor research. Distributions are made annually as funds are available and costs are incurred relating to the restriction.

Cash and Cash Equivalents

The Organization considers all highly liquid securities issued with an initial maturity of three months or less to be cash equivalents. At December 31, 2025 and 2024, cash and cash equivalents consisted of checking and money market accounts. For the purposes of the consolidated statements of cash flows, cash and cash equivalents held within the Organization's investment portfolio are considered investments.

Certificates of Deposit

At December 31, 2025, the Organization has six certificate of deposits, bearing interest at a rate of 4.04% to 4.27% per annum, which will mature during January 2026 through May 2026. At December 31, 2024, the Organization has five certificate of deposits, bore interest at a rate of 4.4% to 5.0% per annum, which matured in April 2025 through July 2025.

Pledges Receivable and Allowance for Doubtful Accounts

Pledges receivable consist of amounts committed by donors which have not been received by the end of the year. These pledges are expected to be collected as follows at December 31:

	2025	2024
Less than one year	$ 159,700	$ 315,500
One to five years	20,000	40,000
	179,700	355,500
Less - allowance for doubtful accounts	15,000	12,500
Net pledges receivable	164,700	343,000
Less - current portion of pledges receivable, net of allowance for doubtful accounts	144,700	303,000
Pledges Receivable, net of current portion	$ 20,000	$ 40,000

2. Significant Accounting Policies (Continued)

Pledges Receivable and Allowance for Doubtful Accounts (Continued)

An allowance for doubtful accounts is management's best estimate of the amount of probable bad debt in pledges receivable. The allowance is based upon specific identification of probable losses and an estimate of additional losses based on historical experience. Account balances are charged off against the allowance when it is probable the receivable will not be recovered. There was no allowance for uncollectable pledges as of December 31, 2025 and 2024.

Convertible Notes and Interest Receivable

Periodically, the Organization invests through BTIF, in life science companies seeking to develop potentially transformative treatments for brain tumor patients. Generally, these notes accrue interest at a stated rate and have the option to convert into equity at a discount based on a specified future event. The Organization considers a convertible note receivable as impaired when it is probable that interest and/or principal will not be collected according to the contractual terms of the convertible note receivable agreement, or the underlying shares for which the notes would convert have a decrease in value (see Note 10).

Property and Equipment and Depreciation

Property and equipment (see Note 3) are recorded at cost when purchased or at fair value at the time of donation. Renewals and betterments are capitalized, while repairs and maintenance are expensed as they are incurred. The Organization's policy is to capitalize assets greater than $5,000 with a useful life greater than one year.

Depreciation is computed using the straight-line method over estimated useful lives as follows:

	Estimated Useful Lives
Website	3 years
Leasehold improvements	Shorter of remaining term of lease or 5 years
Furniture and fixtures	5 years

Intangible Assets

Intangible asset consists of costs incurred related to the Organization's new logo and rebrand, totaling $86,819 at December 31, 2025 and 2024. The logo and rebrand costs were placed in service in 2022. Amortization is computed using the straight-line method over the five-year expected useful life of the intangible asset. Amortization expense was $17,364 and $17,363 for the years ended December 31, 2025 and 2024, respectively. Accumulated amortization was $69,455 and $52,091 at December 31, 2025 and 2024, respectively.

2. Significant Accounting Policies (Continued)

Consolidated Statements of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major, or central to brain tumor research are reported as operating revenue and operating expenses in the accompanying consolidated statements of activities and changes in net assets. Non-operating revenue (losses) includes investment activity and recovery of grant expense.

Research Grant Commitments

Research grants are recorded when awarded by the Organization when substantial conditions are met by the grantee. Research grants payable are expected to be paid during the subsequent year and are shown as current liabilities in the accompanying consolidated statements of financial position. There was recovery of research grant expense of $65,000 for the year ended December 31, 2024, related to research grants awarded in a prior year, which is shown as recovery of grant expense in the accompanying consolidated statement of activities and changes in net assets.

Advertising Costs

The Organization expenses advertising costs as incurred.

Income Taxes

The Organization accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the consolidated financial statements regarding a tax position taken or expected to be taken in a tax return. The Organization has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the consolidated financial statements at December 31, 2025 and 2024. The Organization's information returns are subject to examination by the Federal and state jurisdictions.

Fair Value Measurements

The Organization follows the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements,* for qualifying assets and liabilities. Fair value is defined as the price that the Organization would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

2. Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

The Organization uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Organization. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.

Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

Cash Equivalents

Cash equivalents are considered Level 1 in the fair value hierarchy.

Investments

The Organization records investments at fair value. Investment gains and losses are reflected in the accompanying consolidated statements of activities and changes in net assets as realized upon sale or as unrealized based on changes in fair value of securities held. Interest and dividends are recorded when earned.

If an investment is directly held by the Organization and an active market with quoted prices exists, the market price of an identical security is used to report fair value. Reported fair values of shares in mutual funds are based on share prices reported by the funds as of the last business day of the fiscal year. The Organization records its bond investments using quoted prices for identical or similar assets in non-active markets (Level 2 inputs).

2. Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

All Other Assets and Liabilities

The carrying value of all other qualifying assets and liabilities, including notes and bonds payable, does not differ materially from its estimated fair value. These qualifying assets and liabilities are considered Level 1 in the fair value hierarchy.

Non-Marketable Investments in Life Science Companies

The Organization accounts for non-marketable investments in life science companies using the measurement alternative under Accounting Standards Update (ASU) 2016-01 (see Note 11), which is defined as cost, less impairment, plus or minus changes resulting from observable price changes for identical or similar investments of the same issuer. These estimated values may differ significantly from the values that would have been used had a ready market existed for the underlying investments.

The Organization periodically assesses the carrying value for all investments in non-marketable companies for possible impairment. One investment (Company C) was fully impaired during 2024 (see Note 11).

Leases

Leases are accounted for in accordance with ASU 2016-02, *Leases* (Topic 842). The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets - operating lease and operating lease obligations in the accompanying 2025 and 2024 consolidated statements of financial position. Leases with an initial term of twelve months or less are not recorded in the consolidated statements of financial position.

ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. ROU lease assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organization’s current leases do not provide an implicit rate, the Organization uses the U.S. Treasury risk-free rate of return based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU assets also include any lease payments made. The Organization’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Rent expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization may enter into lease agreements with lease and non-lease components. The Organization accounts for the lease and non-lease components as a single lease component except for non-lease components for which there is variability in future lease payments. The variable lease payments, which are primarily comprised of utilities and real estate taxes, are recognized in the period in which the obligation for those payments was incurred.

2. Significant Accounting Policies (Continued)

Subsequent Events

Subsequent events have been evaluated through May 27, 2026, which is the date the consolidated financial statements were available to be issued. There we no such events that met the criteria for recognition or disclosure in the consolidated financial statements.

3. Property and Equipment

Property and equipment consist of the following at December 31:

	2025	2024
Website	$ 179,644	$ 179,644
Leasehold improvements	39,894	39,894
Furniture and fixtures	29,337	29,337
	248,875	248,875
Less - accumulated depreciation	234,971	174,319
Property and equipment, net	$ 13,904	$ 74,556

4. Investments

The primary investment objective is to balance the protection of asset values while earning a return. Investment allocations are periodically reviewed by the Finance Committee and adjustments are made. The Board of Directors will review and make changes as necessary on an annual basis.

Investments are presented in the accompanying consolidated financial statements at fair value using Level 1 and Level 2 inputs (see Note 2) and are comprised of the following as of December 31:

	2025			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and money market	$ 817,256	$ -	$ -	$ 817,256
U.S. Treasuries	84,967	-	-	84,967
Corporate bonds	-	1,670,996	-	1,670,996
Mutual funds	361,271	-	-	361,271
Exchange traded funds	4,684,004	-	-	4,684,004
Total	$ 5,947,498	$ 1,670,996	$ -	$ 7,618,494

4. Investments (Continued)

	2024			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and money market	$ 492,838	$ -	$ -	$ 492,838
U.S. Treasuries	-	-	-	-
Corporate bonds	-	1,562,054	-	1,562,054
Mutual funds	284,150	-	-	284,150
Exchange traded funds	4,061,468	-	-	4,061,468
Total	$ 4,838,456	$ 1,562,054	$ -	$ 6,400,510

Investments are not insured and are subject to ongoing market fluctuations. The corporate bonds mature at various times between January 2026 and April 2036. U.S. treasuries matured in January 2026.

Restricted investments are classified as long-term in the accompanying consolidated statements of financial position as of December 31, 2025 and 2024, regardless of maturity, as well as any investments with a maturity date greater than one year from the consolidated statements of financial position date as management intends to hold these investments for long-term purposes.

5. Endowments

Changes in endowment net assets are as follows for the years ended December 31, 2025 and 2024:

	Appreciation	**Held in Perpetuity**	**Total**
Balance, December 31, 2023	$ 56,017	$ 546,654	$ 602,671
Investment Income	29,354	-	29,354
Appropriation of Endowment Assets for Expenditure	(19,480)	-	(19,480)
Balance, December 31, 2024	65,891	546,654	612,545
Investment Income	53,086	-	53,086
Appropriation of Endowment Assets for Expenditure	(44,329)	-	(44,329)
Balance, December 31, 2025	$ 74,648	$ 546,654	$ 621,302

6. Donated Goods and Services

The Organization recognizes in-kind contribution revenue for certain services that would be purchased if not donated, at the fair value of those items. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

Volunteers and other organizations contribute goods and services to the Organization in support of various aspects of its programs. These goods and services are reflected in the accompanying consolidated financial statements based upon the estimated value assigned to them by the donating volunteers, agencies, or by management and consist of various raffle gifts and donated food for the Organization's events.

The following summarizes donated goods and services for the years ended December 31:

Donation Type	**2025**	**2024**
Pro bono legal services	$ 230,000	$ -
Donated goods	37,781	86,508
Total	$ 267,781	$ 86,508

7. Operating Leases

The Organization entered into a lease agreement for office space in Newton, Massachusetts which expired in December 2025, and was extended for an additional three years through January 2028. Monthly lease payments range from approximately $1,500 to $1,900 as defined in the agreement.

The Organization also leases space in Boston, Massachusetts under an agreement which was set to expire in March 2026. The lease required a security deposit of $18,494. Monthly lease payments of approximately $8,800 commence in April 2023, and escalate annually as defined in the agreement. During fiscal year 2025, the lease was extended for an additional three years through March 2029. Monthly rent commencing in April 2026 begins at approximately $9,500 and increases annually.

7. Operating Leases (Continued)

The following summarizes operating lease costs included in occupancy in the accompanying consolidated statements of functional expenses, for the years ended December 31:

	2025	2024
Operating lease cost	$ 127,205	$ 125,136
Short-term lease cost	7,884	842
Total lease costs	$ 135,089	$ 125,978

Following is a schedule of future minimum lease payments in accordance with the agreements as of December 31, 2025:

2026	$ 149,069
2027	152,611
2028	156,154
2029	29,634
Total	487,468
Less - current portion	(149,069)
Less - present value discount	(96,032)
Operating lease liabilities, net	$ 242,367

Additional information about the Organization's leases is as follows for December 31:

	2025	2024
Weighted-average remaining lease term	3 Years	1 Year
Weighted-average discount rate	4.21%	4.21%

8. Concentrations

The Organization maintains its operating cash and money market balances in various financial institutions located in the United States. The Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund insures balances at each institution up to certain amounts. At certain times during the years ended December 31, 2025 and 2024, cash balances exceeded the insured amounts. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on its operating cash balance.

Approximately 60% and 76% of pledges receivable were from two donors as of December 31, 2025 and 2024, respectively.

9. Employment Benefit Plans

The Organization has a tax deferred pension plan under Section 401(k) of the Internal Revenue Service (IRS) (the 401(k) Plan) for all employees. The Organization can elect to make a discretionary matching contribution to the 401(k) Plan. The Organization's contributions for the years ended December 31, 2025 and 2024, totaled $134,972 and $138,562, which are included in payroll taxes and fringe benefits in the accompanying consolidated statements of functional expenses.

10. Convertible Notes and Interest Receivable

BTIF has entered into unsecured note agreements with life science companies to invest in research. Notes and interest receivable consist of the following at December 31:

	2025		2024	
	Notes Receivable	Interest Receivable	Notes Receivable	Interest Receivable
Note E	$ 50,000	$ -	$ 50,000	$ -
Note F	300,000	47,438	300,000	26,893
	$ 350,000	$ 47,438	$ 350,000	$ 26,893

Note E was issued on February 1, 2024. Note E has an automatic conversion of the note to shares of the life science company's (Company E) conversion shares upon the closing of qualified financing. The note has not converted as of May 27, 2026, which is the date the consolidated financial statements were available to be issued. This note bears no interest. The mechanics of conversion are dependent upon the facts and circumstances of the financing as defined in the convertible note agreement.

Note F bears interest at 8% per annum. Note F has an automatic conversion of the note to shares of the life science company's preferred stock upon Company F closing on qualified financing. The mechanics of conversion are dependent upon the facts and circumstances of the financing as defined in the convertible note agreement.

10. Convertible Notes and Interest Receivable (Continued)

Note E and Note F reached their maturity dates in March 2025 and October 2025, respectively, without the occurrence of qualified financing yielding proceeds of at least $8,000,000 and $5,000,000, respectively. Because the note terms do not stipulate an automatic conversion upon maturity, the notes remain outstanding as matured, unpaid debt obligations of the companies.

11. Non-Marketable Investments in Life Science Companies

Investments in life science companies are recorded on the measurement alternative method based upon BTIF's lack of significant influence over the companies as it holds less than 2% of total shares in the respective companies.

In February 2024, Company A issued stock and converted a note to stock totaling 927,962 shares of preferred stock. At the time of issuance, BTIF purchased an additional 394,384 shares preferred stock at $0.13 per share (see Note 10), for $50,000. During fiscal year 2025, BTIF purchased an additional 702,100 shares for $55,000. BTIF also committed another $45,000 for an additional 574,446 shares which has not been called as of December 31, 2025.

In June 2021, BTIF's note receivable with Company C and related interest of $105,632 converted to 151,708 shares of preferred stock at a discount of 40% of the purchase price of the shares. Additionally, on July 1, 2021, BTIF purchased an additional 11,848 shares. On March 25, 2022, BTIF purchased an additional 31,236 of shares priced at $1.16 per share. Total shares in Company C were 194,792. The investment was valued at cost of $155,632 as of December 31, 2023. During 2024, the investment in Company C was fully impaired due to poor results in obtained in its clinical trials.

In April 2022, Company B and related interest were converted to 20,959 shares of preferred stock at a discount of 25% of the purchase price of the shares. Additionally, in April 2022, BTIF purchased 22,765 additional shares of preferred stock valued at $6.59 per share (see Note 10). In July 2023, BTIF purchased 15,176 additional shares of preferred stock valued at $6.59 per share. Total shares in Company B were 58,900, which was valued at cost of $353,578 as of December 31, 2023. During August 2024, Company B was acquired by a third party in a merger agreement and was liquidated. All 58,900 shares were sold for $439,004, resulting in a realized gain of $85,425 on the sale. There were no outstanding shares as of December 31, 2024.

In June 2021, BTIF invested $99,999 in a life science company (Company D) to purchase 53,390 shares of preferred stock in Company D priced at $1.87 per share. In June 2025, BTIF invested an additional $100,000 in Company D to purchase 53,390 shares of preferred stock at 1.87 per share. Investments in Company D are valued at cost of $199,999 and $99,999 as of December 31, 2025 and 2024, respectively.

In February 2023, BTIF invested $100,015 in a life science company (Company E) to purchase 3,218 shares of preferred stock in Company E priced at $31.08 per share. The investment is valued at cost of $100,015 as of December 31, 2025 and 2024.

11. Non-Marketable Investments in Life Science Companies (Continued)

In February 2024, BTIF invested $200,000 in a life science company (Company G) to purchase 1,580 shares of preferred stock in Company G priced at $126.58 per share. In October 2025, BTIF invested an additional $73,441 in Company G to purchase 323 additional shares of preferred stock at $227.37 per share. The investment is valued at cost of $273,441 and $200,000 as of December 31, 2025 and 2024, respectively.

In February 2024, BTIF invested $100,000 in a life science company (Company H) to purchase 99,453 shares of preferred stock in Company H priced at $1.01 per share. In April 2025, BTIF invested an additional $13,571 in Company H to purchase 13,497 shares of preferred stock at $1.01 per share. The investment is valued at cost of $113,571 and $100,000 as of December 31, 2025 and 2024, respectively.

In March 2025, BTIF invested $200,000 in a life science company (Company I) made through a Simple Agreement for Future Equity (SAFE), with an effective date of March 24, 2025. The investment is valued at cost of $200,000 as of December 31, 2025.

Non-marketable investments in life science companies consist of:

	2025	2024
Company A	$ 205,000	$ 150,000
Company D	199,999	99,999
Company E	100,015	100,015
Company G	273,441	200,000
Company H	113,571	100,000
Company I	200,000	-
	$ 1,092,026	$ 650,014

On the adoption of ASU 2016-01, the Organization elected to measure all non-marketable investments using the measurement alternative in which these investments are measured at cost, less impairment, plus or minus changes resulting from observable price changes for identical or similar investments of the same issuer. The values presented herein are not necessarily indicative of the amount that the Organization could realize in a current transaction. The values may differ significantly from the values that would have been used had a ready market value for the underlying assets existed and the differences could be material. Future confirming events will also affect the estimates of the value, and the effect of such events on those estimates of the value could be material.

12. Liquidity and Availability of Financial Assets

Financial assets available for use by the Organization within one year from the consolidated statements of financial position date are as follows as of December 31:

	2025	2024
Cash and cash equivalents	$ 5,003,411	$ 4,963,750
Certificates of deposit	4,715,944	3,387,862
Current portion of investments	5,839,759	4,678,916
Current portion of pledges receivable, net of allowance for doubtful accounts	144,700	303,000
Employee retention credit receivable	-	313,754
	15,703,814	13,647,282
Less - contractual or donor-imposed restrictions	(5,768,614)	(4,848,375)
Financial assets available to meet cash needs for general expenditures within one year	$ 9,935,200	$ 8,798,907

The Organization is substantially supported by restricted grants and contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

13. Employee Retention Tax Credit

The Employee Retention Tax Credit (ERTC) was first established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and was extended and expanded by the Consolidated Appropriations Act (CAA) and American Rescue Plan (ARP). ERTC provides a refundable tax credit against certain employment taxes equal to 70% of the first $10,000, per quarter, in qualified wages paid to each employee between January 1, 2021 and September 30, 2021. To be eligible, the Organization must meet certain conditions as described in applicable laws and regulations.

13. Employee Retention Tax Credit (Continued)

The Organization determined that it qualified for the ERTC, and therefore, accounted for them as conditional grants under ASC Subtopic 958-605. These grants were conditional upon certain performance requirements and the incurrence of eligible expenses. Eligibility for the credit and the credit calculations are subject to review and approval by the Federal government. The Organization recognized $783,108 of revenue in 2021 related to ERTCs. Unpaid ERTCs incur interest at the IRS rate for overpayments (7% at December 31, 2024). Interest income of $37,007 was recognized on the unpaid ERTC balance for the year ended December 31, 2024, and is included in interest, dividends and other in the accompanying consolidated statement of activities and changes in net assets. As of December 31, 2024, $313,754 of ERTCs and interest incurred were unpaid and are shown as employee retention credit receivable in accompanying the consolidated statement of financial position. ERTCs were paid in full during 2025.

14. Conditional Grants

At December 31, 2024, the Organization had grants and contributions of $1,000,000, which contained donor-imposed conditions that represent a barrier that must be overcome, as well as a right of return of assets or releases from obligations. No amounts were received in advance, and no amounts were recognized in the accompanying consolidated financial statements for the year ended December 31, 2024, because the conditions have not been met. The Organization recognized these grants and contributions during 2025, when donor-imposed conditions were substantially met. There were no conditional grants as of December 31, 2025.