

**BEAR NECESSITIES PEDIATRIC
CANCER FOUNDATION**

FINANCIAL STATEMENTS

**June 30, 2025
And for the Year Then Ended**

**(With Summarized Comparative
Information for 2024)**

**BEAR NECESSITIES PEDIATRIC
CANCER FOUNDATION**

Annual Financial Report

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Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors of
Bear Necessities Pediatric Cancer Foundation
Chicago, IL

Opinion

We have audited the accompanying financial statements of Bear Necessities Pediatric Cancer Foundation (a nonprofit Foundation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bear Necessities Pediatric Cancer Foundation as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bear Necessities Pediatric Cancer Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bear Necessities Pediatric Cancer Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bear Necessities Pediatric Cancer Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Bear Necessities Pediatric Cancer Foundation's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 19, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Desmond & Ahern, Ltd

December 18, 2025
Chicago, IL

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
STATEMENT OF FINANCIAL POSITION
As of June 30, 2025 (with comparative totals for 2024)

	2025	2024
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 672,745	\$ 478,057
Investments	625,625	780,932
Contributions receivable, net of allowance	199,586	130,750
Inventory	11,142	11,142
Prepaid expenses	18,089	15,517
Total current assets	<u>1,527,187</u>	<u>1,416,398</u>
Other Assets		
Property and equipment, net	851,511	889,978
Contributions receivable, net of current and discount	-	95,264
Total other assets	<u>851,511</u>	<u>985,242</u>
Total Assets	<u><u>\$ 2,378,698</u></u>	<u><u>\$ 2,401,640</u></u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	33,478	\$ 32,956
Credit card payable	19,844	11,798
Accrued expenses	62,304	8,600
Deferred revenue	25,342	43,568
Mortgage payable, current	56,718	56,718
Total current liabilities	<u>197,686</u>	<u>153,640</u>
Long-Term Liabilities		
Mortgage payable, net of current portion	<u>47,265</u>	<u>103,984</u>
Total Liabilities	<u>244,951</u>	<u>257,624</u>
Net Assets		
Without donor restrictions		
Undesignated	1,508,974	1,421,066
Board-designated	525,000	525,000
Total without donor restrictions	<u>2,033,974</u>	<u>1,946,066</u>
With donor restrictions	99,773	197,950
Total net assets	<u>2,133,747</u>	<u>2,144,016</u>
Total Liabilities and Net Assets	<u><u>\$ 2,378,698</u></u>	<u><u>\$ 2,401,640</u></u>

See independent auditor's report and notes to financial statements.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025 (with summarized comparative totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
<u>Support and Revenues</u>				
Contributions				
Individuals	\$ 502,491	\$ -	\$ 502,491	\$ 422,895
Corporate	63,090	40,115	103,205	98,209
Foundations and civic	105,546	5,200	110,746	119,676
Revenues from special events, net	507,216	-	507,216	480,191
In-kind contributions	208,874	-	208,874	161,804
Investment income, net	63,110	-	63,110	40,081
Other income	-	-	-	15,085
Net assets released from restrictions	150,802	(150,802)	-	-
Total public support and revenue	1,601,129	(105,487)	1,495,642	1,337,941
<u>Expenses</u>				
Program services	1,080,718	-	1,080,718	1,010,969
Management and general	171,642	-	171,642	192,654
Fundraising	253,551	-	253,551	249,956
Total expenses	1,505,911	-	1,505,911	1,453,579
Change in net assets	95,218	(105,487)	(10,269)	(115,638)
Net assets, beginning of year	1,938,756	205,260	2,144,016	2,259,654
Net assets, end of year	<u>\$ 2,033,974</u>	<u>\$ 99,773</u>	<u>\$ 2,133,747</u>	<u>\$ 2,144,016</u>

See independent auditor's report and notes to financial statements.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION**STATEMENT OF FUNCTIONAL EXPENSES****For the Year Ended June 30, 2025 (with summarized comparative totals for 2024)**

	Program Services	Management and General	Fundraising	2025 Total	2024 Total
<u>Functional Expenses</u>					
Salaries and wages	\$ 339,170	\$ 40,278	\$ 150,577	\$ 530,025	\$ 569,083
Payroll taxes and employee benefits	55,935	6,624	24,826	87,385	81,403
	<u>395,105</u>	<u>46,902</u>	<u>175,403</u>	<u>617,410</u>	<u>650,486</u>
Program supplies	564,873	-	-	564,873	435,614
Professional fees	3,918	84,757	24,905	113,580	108,950
Occupancy	46,847	5,548	20,792	73,187	75,778
Depreciation	24,623	2,916	10,928	38,467	38,467
Grants and scholarships	15,000	-	-	15,000	55,000
Information technology	6,699	1,451	10,990	19,140	17,225
Office expenses	13,182	1,561	5,850	20,593	23,985
Bank and merchant fees	-	13,318	-	13,318	13,259
Interest	3,716	440	1,649	5,805	8,570
Dues and subscriptions	6,615	783	2,936	10,334	7,033
Insurance	-	2,624	-	2,624	2,559
Marketing and advertising	-	-	98	98	2,915
Miscellaneous	140	110	-	250	759
Bad debt	-	10,750	-	10,750	10,500
Travel and meetings	-	482	-	482	1,863
Training and development	-	-	-	-	616
Total Expenses	<u>\$ 1,080,718</u>	<u>\$ 171,642</u>	<u>\$ 253,551</u>	<u>\$ 1,505,911</u>	<u>\$ 1,453,579</u>

See independent auditor's report and notes to financial statements.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
STATEMENT OF CASH FLOW

For the Year Ended June 30, 2025 (with summarized comparative totals for 2024)

	<u>2025</u>	<u>2024</u>
<u>Cash Flows from Operating Activities</u>		
Changes in net assets	\$ (10,269)	\$ (115,638)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	38,467	38,467
Net unrealized and realized (gains) losses	(22,526)	(45,499)
Interest and dividends	(47,079)	90
Donated stock	-	(43,288)
Sale of donated stock	-	43,263
Changes in assets - (increase) decrease		
Accounts receivable	26,428	1,275
Inventory	-	5,343
Prepaid expenses	(2,572)	(14,683)
Changes in liabilities - increase (decrease)		
Accounts payable	522	(2,318)
Credit card payable	8,046	(3,951)
Accrued expenses	53,704	8,600
Grant payable	-	(10,000)
Deferred revenue	(18,226)	31,002
Net cash provided by (used in) operating activities	<u>26,495</u>	<u>(107,337)</u>
<u>Cash Flows from Investing Activities</u>		
Purchases of investments	(304,717)	(268,553)
Proceeds from sale of investments	529,629	71,511
Net cash provided by (used in) investing activities	<u>224,912</u>	<u>(197,042)</u>
<u>Cash Flows from Financing Activities</u>		
Payment to mortgage note payable	(56,719)	(56,718)
Net cash used in financing activities	<u>(56,719)</u>	<u>(56,718)</u>
Net increase (decrease) in cash and cash equivalents	194,688	(361,097)
Cash and cash equivalents, beginning of year	478,057	839,154
Cash and cash equivalents, end of year	<u><u>\$ 672,745</u></u>	<u><u>\$ 478,057</u></u>

See independent auditor's report and notes to financial statements.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Foundation

Bear Necessities Pediatric Cancer Foundation (the “Foundation”) is an Illinois not-for-profit corporation with the purpose of providing direct services to pediatric cancer patients and their immediate family members. The Foundation also grants funds to encourage, supplement and initiate research related to pediatric cancer diseases. The Foundation completes its mission through programs such as Bear Hugs (dream experiences and family support), Bear Discoveries (research), Scholarship and Counseling programs and special events such as Bear Tie Ball, Golf for the Bear, Walk for the Bear, Purple Affair for the Bear, Sip and Sail, and YPB memberships.

Basis of Accounting

The accounts and financial statements are maintained on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities in conformity with accounting principles generally accepted in the U.S. and applicable to non-profit Foundations.

Basis of Presentation

The Foundation is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions, as required by Generally Accepted Accounting Principles. Accordingly, net assets and changes therein are classified and reported as follows:

Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Items that affect this net asset category principally consist of gifts without restrictions, including restricted gifts whose donor-imposed restrictions were met during the year.

With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Foundation or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Restrictions that have been met on net assets with donor restrictions are reported as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as without donor restrictions. As of June 30, 2025, there was \$99,773 of net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Income Taxes

The Foundation was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). The Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as a Foundation that is not a private foundation under Section 509(a)(2). The tax-exempt purpose of the Foundation and the nature in which it operates is described above. Management believes the Foundation continues to operate in compliance with its tax-exempt purpose.

The Foundation's annual information and income tax returns filed with the federal and state governments are subject to examination by the IRS, generally for three years after they were filed. The Foundation has adopted the requirements for accounting for uncertain tax positions and management has determined that it was not required to record a liability related to uncertain tax positions as of June 30, 2025.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposits in federally insured accounts. At times, such deposits may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit.

For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid debt instruments, if any, purchased with an original maturity or anticipated liquidation of three months or less to be cash equivalents. The Foundation paid no taxes and \$5,805 of interest during the year ended June 30, 2025.

Contributions Receivable and allowance for doubtful accounts

Contributions are recognized when received or when the donor makes an unconditional promise to the Foundation. Contributions of cash and other assets are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. Unconditional promises to give, due in the subsequent years, are reported at the present value of their net realized value, using risk-free interest rates applicable to the years in which the promises are to be received. The Foundation does not accrue interest in past due accounts.

There was a \$10,000 allowance for doubtful accounts in the accompanying financial statements at June 30, 2025. Receivables are written off only after all collection attempts have failed and are based on individual credit evaluation and the specific circumstances of each individual.

Investments

The Foundation's investments are reported at fair value. Realized and unrealized gains and losses and any investment fees incurred are reflected in the Statement of Activities. Investment transactions are recorded as of the trade date. Interest and dividends are recorded when received. The Foundation paid \$6,495 in investment fees for the year ended June 30, 2025.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Inventory

Inventory, which consists of merchandise, is stated at the lower of cost, using the first-in, first-out (FIFO) method, or net realizable value. At June 30, 2025, inventory totaled \$11,142.

Prepaid Expenses and Other Assets

Prepaid expenses consist of expenses that have been paid before incurred primarily related to office and event expenses.

Property and Equipment

Expenditures for property and equipment, and items which substantially increase the useful lives of existing assets are capitalized at costs. Depreciation is computed using the straight-line method over the estimated useful lives of these assets ranging from five to thirty-nine years. The Foundation capitalizes all expenditures and contributions of property and equipment over \$2,500. Depreciation expenses for the year ended June 30, 2025, amounted to \$38,467.

Deferred Revenue

The Foundation received payment for special events not yet held, therefore, deferred to the date on which the underlying event takes place. The Foundation has deferred revenues of \$25,342 as of June 30, 2025.

Support and Revenue

The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been met. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the Foundation reports the support as unrestricted.

The Foundation reports gifts of land, buildings, and equipment as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, The Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During the year ending June 30, 2025 no such gifts of land, buildings, or equipment were received.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Support and Revenue (cont.)

The Foundation recognizes contract revenue at an amount that reflects consideration to which the Foundation expects to be entitled to in exchange for transferring goods or services to a customer. Due to the nature and varying performance obligations of these contracts, the timing and methods of recognizing revenue from these contracts will vary. All contracts recognize revenue in accordance with ASU No. 2014-09 (Topic ASC 606, Revenue from Contracts with Customers). There was no contract revenue recorded in 2025 for any performance obligations met in the prior year.

Donated Services

Contributions of services are generally recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended June 30, 2025, the Foundation did not receive any contributed services that met these criteria.

In-Kind Contributions

In addition to receiving cash contributions, the Foundation may receive in-kind contributions and donated facilities from various donors. It is the policy of the Foundation to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the year ending June 30, 2025, the Foundation received \$208,874 of in-kind donations, consisting primarily of donated materials and goods provided for use in the Organization's programs and activities.

Only those in-kind contributions that meet recognition criteria under applicable accounting standards were recorded at estimated fair value in the accompanying financial statements. Non-recognized contributed services that do not create or enhance non-financial assets or require specialized skills are not reflected in the financial statements.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to the specific program or supporting function. Expenses related to more than one function are allocated to program expenses and supporting services as the basis of periodic time and expense reviews made by management. The expenses that are allocated include salaries and wages, payroll taxes, fringe benefits, and insurance which are allocated on the basis of estimates of time.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Subsequent Events

Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The Foundation has evaluated subsequent events through December 18, 2025, which is the date the statements were available to be issued. No subsequent events have been identified that are required to be disclosed as of that date.

Note 2 – Financial Assets and Liquidity

The Foundation regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

As of June 30, 2025, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

Financial assets, at year-end:	
Cash and cash equivalents	\$ 672,745
Investments	625,625
Contribution receivable	199,586
Total financial assets, at year-end	<u>1,497,956</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>(99,773)</u>
Financial assets available to meet cash need for general expenditures within one year	<u>\$ 1,398,183</u>

In addition to financial assets available to meet general expenditure over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. The Finance Committee monitors the Foundations' liquidity throughout the year at their meetings.

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 3 – Fair Value Measurements

Generally accepted accounting principles define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Foundation’s principal or most advantageous market in an orderly transaction between market participants on the measurement date.

Generally accepted accounting principles establish a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The following is a description of the valuation methodologies used to measure the Foundation’s financial instruments at fair value. There have been no changes in the methodologies used on June 30, 2025 from the prior year.

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

Government-backed mortgage securities: Valued at the fair value of the mortgage-back security adjusted by quoted prices on a specific date. This is approximated by using similar pricing models and historical data. Mortgage-back securities represent claims on the money generated by mortgage loans.

Assets Measured on a Recurring Basis

Assets measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at June 30, 2025		
	Level 1	Level 2	Level 3
Mutual funds	\$ 620,356	\$ -	\$ 620,356
Government-backed mortgage securities	-	5,200	5,200
Total	<u>\$ 620,356</u>	<u>\$ 5,200</u>	<u>\$ 625,556</u>

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 4 – Net Investment Income

Investment income consists of the following components for the year ended June 30, 2025:

Realized gain (loss)	\$ 5,368
Unrealized gain (loss)	17,158
Interest and dividend income	47,079
Fees	(6,495)
Net investment income	<u>\$ 63,110</u>

Investment securities are exposed to various risks including interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated statement of financial position.

Note 5 – Property and Equipment

The following is a summary of property and equipment as of June 30, 2025:

Building and improvements	\$ 1,500,220
Furniture and fixtures	8,752
Office equipment	626
Less: accumulated depreciation	(658,087)
Property and equipment, net	<u>\$ 851,511</u>

For the year ended June 30, 2025, depreciation expense was \$38,467.

Note 6 – Mortgage Note Payable

The Foundation entered into a mortgage note payable in April 2020 with a balance of \$397,027. The mortgage is payable in monthly principal installments of \$4,726 plus interest calculated at a fixed interest rate of 4.25% per annum and the loan is due April 2027. The mortgage is collateralized by the underlying property. The interest expenses for the year ended June 30, 2025, were \$5,805. As of June 30, 2025, the remaining balance of the mortgage note payable is \$103,983.

Future minimum principal payments are as follows:

2026	\$ 56,718
2027	47,265
	<u>\$ 103,983</u>

BEAR NECESSITIES PEDIATRIC CANCER FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 7 – Board-Designated Net Assets

The Board of Directors has designated an endowment fund of \$525,000, known as the Bear Fund, as a general endowment to support the mission of the Foundation. It is the policy of the Board of Directors to use the income and dividends from the designated endowment fund to support the Foundation's general activities. The Board-designated endowment balance, which is included in net assets without donor restrictions, total \$525,000 as of June 30, 2025.

Note 8 – Net Assets with Donor Restrictions

Net assets with donor restrictions for the year ended June 30, 2025 available in future periods are as follows:

Bear Hugs - Naples Chapter	\$ 24,097
Scholarships	75,676
	<u>\$ 99,773</u>

Note 9 – Special Events

The Foundation hosts multiple events during the year to raise funding and awareness. The following is a summary of the events held for the year ended June 30, 2025:

Special event contributions

Bear Tie Ball	466,839
Golf for the Bear	126,491
Walk for the Bear	71,132
Third Party Event	65,423
Sip and Sail	86,527
Less: Cost of direct benefits to donors	<u>(309,196)</u>
Net revenues from special events	<u>\$ 507,216</u>