FANCONI™
CANCER
FOUNDATION

FANCONI ANEMIA RESEARCH FUND, INC.

Financial Statements and Report of Independent Auditor

For the Year Ended December 31, 2025

(With Summarized Comparative Information for the Year Ended December 31, 2024)

Fanconi Cancer Foundation
Year Ended December 31, 2025
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Certified Public Accountants
and Business Advisors

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Independent Auditor's Report

To the Board of Directors
Fanconi Cancer Foundation
Eugene, Oregon

Opinion

We have audited the accompanying financial statements of Fanconi Cancer Foundation, which comprise the statement of financial position as of December 31, 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 Fanconi Cancer Foundation as of December 31, 2025, and the changes in its net assets, functional expenses 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 Fanconi 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Fanconi 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 Responsibilities for the Audit of the Financial Statements

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

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of grants awarded on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Fanconi Cancer Foundation's 2024 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 20, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Isler CPA

Isler CPA
August 10, 2026

FINANCIAL STATEMENTS

Fanconi Cancer Foundation
Statement of Financial Position
December 31, 2025
(With Summarized Comparative Information December 31, 2024)

ASSETS

	2025	2024
CURRENT ASSETS		
Cash and Cash Equivalents	$ 1,168,211	$ 1,896,840
Accounts Receivable, Net	48,812	-
Other Current Assets	48,490	121,347
Total Current Assets	1,265,513	2,018,187
Investments	3,723,124	3,963,127
Beneficial Interest in Assets held by OCF	165,679	149,690
Leases, Right-of-Use Assets	94,091	312,574
Total Assets	$ 5,248,407	$ 6,443,578

LIABILITIES AND NET ASSETS

	2025	2024
CURRENT LIABILITIES		
Accounts Payable	$ 8,385	$ 136,774
Grants Payable	241,125	226,823
Accrued Payroll	107,231	126,923
Operating Leases Liabilities, Current	42,984	54,729
Total Current Liabilities	399,725	545,249
Lease Liabilities, Noncurrent	51,736	276,865
Total Liabilities	451,461	822,114
NET ASSETS		
Without Donor Restrictions:		
Designated by the Board for Endowment	165,679	149,690
Undesignated	4,631,267	5,471,774
Total Net Assets	4,796,946	5,621,464
Total Net Assets and Liabilities	$ 5,248,407	$ 6,443,578

See accompanying notes to financial statements

Fanconi Cancer Foundation
Statement of Activities
For the Year Ended December 31, 2025
(With Summarized Comparative Information for the Year Ended December 31, 2024)

	Without Donor Restrictions / 2025 Total	With Donor Restrictions	2025 Total	2024 Comparative Total
REVENUES AND SUPPORT				
Contributions and Grants	$ 1,971,433	$ 1,281,344	$ 3,252,777	$ 3,975,209
Net Investment Income (Loss)	545,134	-	545,134	472,209
Other Income	16,663	-	16,663	229
Satisfaction of program restriction	1,281,344	(1,281,344)	-	-
Total revenue and support	3,814,574	-	3,814,574	4,447,647
EXPENSES				
Program Services:				
Research	2,498,139	-	2,498,139	2,981,286
Family Support	564,768	-	564,768	557,359
Events	737,906	-	737,906	676,152
Total Program Services	3,800,813	-	3,800,813	4,214,797
Support Services:				
Management and General	355,421	-	355,421	861,327
Fundraising	482,858	-	482,858	415,362
Total Support Services	838,279	-	838,279	1,276,689
Total Expenses	4,639,092	-	4,639,092	5,491,486
CHANGE IN NET ASSETS	(824,518)	-	(824,518)	(1,043,839)
Net Assets, Beginning of Year	5,621,464	-	5,621,464	6,665,303
Net Assets, End of Year	$ 4,796,946	$ -	$ 4,796,946	$ 5,621,464

See accompanying notes to financial statements

Fanconi Cancer Foundation
Statement of Functional Expenses
For the Year Ended December 31, 2025
(With Summarized Comparative Information for the Year Ended December 31, 2024)

	Program Services				Support Services				
	Research	Family Support	Events	Total Program Services	Management and General	Fundraising	Total Support Services	2025 Total Expenses	2024 Total Expenses
Research Grants	$ 2,207,016	$ -	$ -	$ 2,207,016	$ -	$ -	$ -	$ 2,207,016	$ 2,733,711
Awards and Grants	-	-	-	-	-	-	-	-	6,000
Support Grants to International Organizations	1,350	37,450	-	38,800	-	-	-	38,800	45,500
Conferences and Meetings	20,630	-	30,265	50,895	-	77,805	77,805	128,700	285,682
Salaries and Wages	193,151	353,624	63,454	610,229	144,968	239,954	384,922	995,151	1,123,620
Payroll Taxes & Benefits	45,764	93,370	14,492	153,626	67,525	41,375	108,900	262,526	248,018
Printing	2,932	9,626	639	13,197	(2,088)	8,198	6,110	19,307	34,314
Postage	10	458	3,491	3,959	59	10,012	10,071	14,030	14,491
Professional Fees	8,240	32,679	601	41,520	92,427	7,722	100,149	141,669	180,750
Supplies	30	127	1,336	1,493	1,475	1,638	3,113	4,606	12,797
Rent	2,767	1,362	105,071	109,200	386	5,972	6,358	115,558	154,637
Computer and Equipment	-	364	1,762	2,126	660	137	797	2,923	671
Miscellaneous	5,058	8,848	1,017	14,923	23,968	27,971	51,939	66,862	80,042
Office Expenses	263	991	450	1,704	404	587	991	2,695	1,831
Bank Charges	3,987	2,730	413	7,130	9,430	957	10,387	17,517	19,969
Maintenance	88	295	44	427	94	186	280	707	340
Event Expense	-	-	511,444	511,444	-	45,952	45,952	557,396	427,175
Contract Services	-	-	-	-	5,948	-	5,948	5,948	60,665
Lease Expense	6,853	22,844	3,427	33,124	10,165	14,392	24,557	57,681	61,273
Total	$ 2,498,139	$ 564,768	$ 737,906	$ 3,800,813	$ 355,421	$ 482,858	$ 838,279	$ 4,639,092	$ 5,491,486

Fanconi Cancer Foundation
Statement of Cash Flows
For the Year Ended December 31, 2025
(With Summarized Comparative Information for the Year Ended December 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (824,518)	$ (1,043,839)
Adjustments to reconcile change in net assets to net cash flow from operating activities:		
Unrealized Loss (Gain) on Investments	(172,265)	(323,555)
Transfers in/(out) of investments	775,811	1,874,473
Changes in:		
Other Current Assets	72,857	(66,413)
Accounts Receivable	(48,812)	-
Lease Activity	(18,392)	(1,525)
Accounts Payable	(128,388)	92,476
Payroll Accrual	(18,660)	19,386
Vacation Accrual	(1,032)	2,822
Grants Payable	14,302	(126,445)
Net Cash Flow from Operating Activities	(349,097)	427,380
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested investment income	(379,532)	(211,786)
Net Cash Flow from Investing Activities	(379,532)	(211,786)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(728,629)	215,594
Cash and Cash Equivalents, Beginning of Year	1,896,840	1,681,246
Cash and Cash Equivalents, End of Year	$ 1,168,211	$ 1,896,840
Schedule of Noncash Investing and Financing Activities:		
Unrealized gain (loss)	$ 378,049	$ 323,555

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities - Fanconi Cancer Foundation (the "Foundation") is a nonprofit organization incorporated in the State of Oregon on February 27, 1989. The Foundation was established to fund research into a cure or effective treatment for victims of Fanconi Anemia and to offer support services to affected families. The primary funding sources are contributions from individuals and foundations.

The Foundation's current programs consist of the following:

Research - This program supports various scientific studies, which may lead to a cure or effective treatment for Fanconi Anemia, and education on the progress of current research.

Family Support - This program provides support to Fanconi Anemia families through education and networking.

Events - This program provides educational opportunities regarding Fanconi Anemia.

Basis of presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP"). Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions include amounts designated by the board of directors for specified purposes. During 2015 the board established the David B. Frohnmayer Scientific Research Fund ("DBF Fund"). The board of directors approved an operating reserve policy in 2017 which sets a target minimum balance for the DBF Fund. This amount is adjusted each year based upon project load.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. There were no net assets with donor restrictions at the end of the fiscal year.

Revenue recognition - Contributions are recognized when cash, securities or other assets are received; or criteria for an unconditional promise to give is met. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Revenue is recorded with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Governmental grant revenue from cost-reimbursement contracts are recognized to the extent of eligible expenses. Governmental grant revenue not subject to restrictions is recognized upon execution of the agreement.

Cash and cash equivalents - For purposes of the Statement of Cash Flows, the Foundation considers all bank time deposits and highly liquid investments, that are not held in brokerage accounts, that are available for current use with an initial maturity of three months or less to be cash equivalents. Total cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per bank. At times, the Foundation's balances may exceed amounts insured by the FDIC. Cash balances exceeded coverage by $830,558 and $1,601,754 for the years ended December 31, 2025 and December 31, 2024.

Investments - The Foundation records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at fair value. Net investment return (loss) is reported in the statement of activities and consists of the realized gains or losses and the unrealized appreciation (decline) of those investments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Board-designated endowment fund - During 2018 the Foundation established the Amy Winn and Christopher Byrd award endowment fund. The initial allocation of funds to the endowment fund was made by the board of directors and has no donor restrictions. As such the endowment fund is part of net assets without donor restrictions. The endowment fund was set up to fund the Amy Winn and Christopher Byrd award that is presented annually to someone who is striving to make a difference and has set high goals for him/herself. In addition to funding the award, the endowment is scheduled to fund the travel cost of the award winner to the annual meeting for adults with Fanconi Anemia. All funds within the endowment fund were invested in the Social Impact Pool with the Oregon Community Foundation (OCF). Investments within this fund are subjected to an environmental, social and governance screening. Distributions out of the endowment fund are subject to OCF discretion. Distributions are based on the grant percentage payout policy for permanent funds which is periodically updated by the board of directors of OCF. This payout rate ranges from 4% to 5% and is applied to a 13-quarter trailing average of fund market values. This rate is reviewed annually and was 4.50% in 2025 and 4.50% in 2024. In no event will such percentages be less than a reasonable rate of return.

Fair value measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data;

Level 3 - Significant unobservable inputs for assets or liabilities.

A significant portion of our investment assets are classified within Level 1 because they comprise money market accounts, equities and ETF funds with readily determinable fair values based on daily redemption values. The fair value of our beneficial interest in assets held by the Oregon Community Foundation is based on the fair value of fund investments as reported by the community foundation. These are considered to be Level 3 measurements. The following table presents assets and liabilities measured at fair value on a recurring basis at December 31, 2025:

Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments:				
Equities	$ 2,449,640	$ 2,449,640	$ -	$ -
Fixed income	1,137,823	1,137,823	-	-
Cash, money market and sweeps	135,661	135,661	-	-
Beneficial interest in assets held by Oregon Community Foundation	165,679	-	-	165,679
Total	$ 3,888,803	$ 3,723,124	$ -	$ 165,679

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurements (continued)

The following table presents assets and liabilities measured at fair value on a recurring basis at December 31, 2024:

Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments:				
Equities	$ 2,695,746	$ 2,695,746	$ -	$ -
Fixed income	1,141,028	1,141,028	-	-
Cash, money market and sweeps	126,353	126,353	-	-
Beneficial interest in assets held by Oregon Community Foundation	149,690	-	-	149,690
Total	$ 4,112,817	$ 3,963,127	$ -	$ 149,690

Investment gain of $545,134 includes interest and dividend income of $99,903, realized gain of $313,946, and an unrealized gain in value of $151,775. Related investment fees totaled $20,490 for 2025. The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2025 and 2024:

	2025	2024
Beginning balance	$ 149,690	$ 142,713
Investment return, net	21,777	12,765
Distributions	(5,788)	(5,788)
Ending balance	$ 165,679	$ 149,690

Contributions - All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restriction support that increase those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as net assets without donor restrictions.

Donated materials and services - The Foundation receives donated services from a variety of unpaid volunteers assisting the Foundation in its program services and fundraising campaigns. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort have not been satisfied. Donated materials and supplies are reflected as unrestricted support unless explicit donor stipulations specify how donated assets must be used.

Leases - The Foundation determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Foundation obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Foundation also considers whether its service arrangements include the right to control the use of an asset.

The Foundation recognizes most leases on its balance sheet as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the income statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For purposes of determining lease classification, the Foundation has made an accounting policy election to define “major part” as 75% of the assets remaining economic life. The Foundation has also made an accounting policy election to define “substantially all” as 90% of the fair value of the asset.

The Foundation made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Foundation made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Foundation has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate asset class. The non-lease components typically represent additional services transferred to the Entity, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Use of estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional expense allocation - The expenses of the Foundation are categorized as either program services or supporting services. Program services include direct and indirect costs related to providing the services and activities for which purpose the Foundation exists. Supporting services include administration and fundraising activities. Administration expenses relate to the overall direction of the Foundation, including board activities, general record keeping, business management, and budgeting. Fundraising expenses relate to the solicitation of contributions to support organizational goals. The Foundation has an indirect cost pool for all expenses that benefit multiple functions. Costs are allocated amongst the various services based on expected benefit. The Foundation reviews and updates the allocation on an annual basis.

Income taxes - The Foundation is organized as an Oregon nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS and reports in other states where the Foundation has activities. In addition, the Foundation is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that the Foundation is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Comparative financial information - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles; accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent events - The Foundation has evaluated subsequent events through August 10, 2026, which is the date the financial statements were available to be issued. The Foundation identified the following subsequent events that require disclosure but not recognition in the accompanying financial statements. No adjustments were recorded because the events described below arose after December 31, 2025 and did not provide additional evidence about conditions that existed at that date, consistent with ASC 855-10-25-3,

- The Foundation awarded multiple research awards subsequent to year end:
    - In June 2026, the board approved three research awards totaling $324,000.
    - On August 6, 2026, the Foundation awarded a $69,000 research award to Agata Smorgorzewska and Tamar Berger for the fanconi anemia-associated cancer virtual tumor board.
    - Two supplemental awards were given to Markus Grompe and Oregon Health and Science University. The awards have not been formally executed as of the date of this report. These awards total to $255,000 with $95,000 for oral cavity gene therapy and $160,000 for small molecule screening in fanconi anemia mice. Initial payments will not be sent to organization until all applicable agreements are executed.
- In June of 2026, the Foundation executed an agreement with the Hilton New Orleans Riverside hotel for its annual symposium, scheduled for September 5-11, 2028. The total cost is expected to be $236,000. The agreement required an initial deposit of $10,000. The contract also requires two additional deposits of $15,000 each that have yet to occur. If the Foundation elects to cancel the agreement, the exact cancellation fee depends on when the cancellation takes place. Potential cancellation fees range from $47,810 - $188,733.

NOTE 2 - INVESTMENTS

The Foundation's investments, which are carried at fair value, consist of the following at December 31, 2025 and 2024.

	2025	2024
US equities	$ 2,449,640	$ 2,695,746
Beneficial interest in assets of OCF	165,679	149,690
Fixed income bonds	1,137,823	1,141,028
Cash, money market, and sweeps	135,661	126,353
Total investments	$ 3,888,803	$ 4,112,817

NOTE 3 - NET ASSETS

The Foundation had no funds subject to donor restrictions during 2025 and 2024.

NOTE 4 - GRANTS PAYABLE

The Foundation has entered into contracts to provide grants to researchers that will be made in installments over the terms of the contracts. These grants are considered to be current liabilities at December 31:

	2025	2024
Grants payable - current portion	$ 241,125	$ 226,823

NOTE 5 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation has $4,940,147 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures at December 31, 2025. Financial assets consist of $1,168,211 in cash, $48,812 in accounts receivables and $3,723,124 in investments as of December 31, 2025. Investments are listed as noncurrent on the Statement of Financial Position as the Foundation intends to hold them for more than 12 months, but if the need arose, these investments could be converted to cash for use within the next year. Not included in this amount $165,679 is invested in a quasi endowment fund. The Foundation has a goal to maintain financial assets, which consists of cash and short term investments on hand to meet 90 days of normal operating expenses. The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Foundation invests approximately 6% in cash and CDs, which it could easily withdraw in the event of an unanticipated liquidity need. The Foundation had $5,859,967 in financial assets available within one year of the balance sheet date to meet cash needs for general expenditures at December 31, 2024.

NOTE 6 - LEASES

The Foundation leases an office space, a postage machine, and a copy machine under operating lease agreements that have initial terms ranging from 3 to 5 years. The copy machine automatically renews for a one-month period unless vendor is notified otherwise. Neither of the other two leases contained renewal options. In addition, certain leases contain termination options, where the rights to terminate are held by either the Foundation, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Foundation will exercise that option. The Foundation's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease expense are as follows for the year ended December 31, 2025 and 2024:

	2025	2024
Operating lease cost	$ 57,681	$ 61,273
Short-term lease cost	-	-
Total lease cost	$ 57,681	$ 61,273

Supplemental cash flow information related to leases is as follows for the year ended December 31, 2025:

Cash paid for amounts included in measurement of lease liabilities:	
Operating cash outflows—payments on operating leases	$ 58,053

Supplemental balance sheet information related to leases is as follows as of December 31, 2025 and 2024:

Operating leases:	2025	2024
Operating lease right-of-use assets	$ 94,091	$ 312,574
Operating lease liabilities, current	$ 42,984	$ 54,729
Operating lease liabilities, non-current	51,736	276,865
Total operating lease liabilities	$ 94,720	$ 331,594

NOTE 6 - LEASES (CONTINUED)

Weighted-average remaining lease term:		
Operating leases	2.64 Years	5.81 Years
Weighted-average discount rate:		
Operating leases	1.80 %	1.71 %

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of December 31, 2025 :

Year ending December 31,	Operating leases
2026	$ 42,984
2027	44,075
2028	12,590
Total future payments	99,649
Less imputed interest	4,929
Total present value of lease liabilities	$ 94,720

NOTE 7 - RETIREMENT PLAN

The Foundation has an IRS Section 403(b)(7) plan ("Fanconi Anemia Research Fund, Inc. Retirement Plan") that covers eligible employees, as defined by the plan. Employees are eligible immediately upon becoming employed and may elect to have elective deferrals up to the maximum amount allowed by law to the plan each year, but not less than $200 annually. The employer provides a 100% match of employee contributions up to a maximum match of $2,000 per year. Retirement plan expense was $20,360 for the year ending December 31, 2025 and was $24,049 for the year ending December 30, 2024.

NOTE 8 - COMMITMENTS

The Foundation has entered into several contractual agreements securing hotel accommodations for future conferences. These agreements often contain cancellation clauses that would require the Foundation to pay some portion of the contracted fees if a future conference were cancelled or relocated. The possibility of cancellation of future conferences is remote and the potential financial impact of cancellation has been deemed to be not material. Therefore, no liability has been accrued.

NOTE 9 - CONCENTRATIONS

Included in contributions and grants were $489,368 of contributions attributable to the efforts of one family. These contributions comprise 15% of total contribution and grant revenue in 2025. In 2024 these contributions and grants were $1,673,700, representing 42% of total contributions and grant revenue.

Also included in contributions and grants were $810,010 of contributions attributable to the efforts of the Foundation's board members. These contributions comprise 25% of total contributions and grant revenue. In 2024 there were $1,822,761 of contributions attributable to the efforts of the Foundation's board members. These contributions comprised 46% of total contribution and grant revenue.

SUPPLEMENTARY INFORMATION

Fanconi Cancer Foundation
Schedule of Grants Awarded
Year Ended December 31, 2025

Grant recipient	Conditional/ Unconditional	Grant payable at beginning of year	Grants paid during the year	Grants expensed during the year	Grant payable at end of year
Institut de Recerca HSCiSP	Conditional	$ -	$ (40,592)	$ 81,183	$ 40,591
Oregon Health & Science University	Conditional	-	(357,164)	357,164	-
University of Chicago	Conditional	-	(105,320)	105,320	-
National Cancer Institute	Conditional	184,577	(369,154)	184,577	-
BC Cancer Institute	Conditional	-	(50,717)	50,717	-
University of Minnesota	Conditional	10,000	(114,181)	104,181	-
Columbia University	Conditional	-	(92,500)	92,500	-
Deutsch Fanconi Anemie Hilfe E.V. *	Conditional	-	-	37,183	37,183
Rockefeller University	Conditional	32,246	(64,492)	32,246	-
Stanford University	Conditional	-	(92,500)	92,500	-
The Broad Institute, Inc.	Conditional	-	(105,000)	105,000	-
Fred Hutchinson Cancer Research Center	Conditional	-	(105,000)	105,000	-
Fudacion Instituto de Investigacion Sanitaria Fudacion Jimenez Diaz	Conditional	-	(105,000)	105,000	-
ETH Zurich	Conditional	-	(101,750)	101,750	-
Universitat Freiburg	Conditional	-	(105,500)	105,500	-
St. Vincent's Institute of Medical Research	Conditional	-	(106,845)	106,845	-
Universidad Nacional Autonoma de Mexico	Conditional	-	(125,000)	125,000	-
American Association for Cancer Research (AACR)	Conditional	-	(162,000)	162,000	-
American Cancer Society	Unconditional	-	-	163,350	163,350
Total		$ 226,823	$ (2,202,715)	$ 2,217,016	$ 241,124

* Service grant