



Papanicolaou Corps For Cancer Research, Inc.  
d/b/a The Pap Corps

Financial Statements

May 31, 2025, 2024 and 2023

**Berkowitz  
Pollack  
Brant** Advisors  
+CPAs



PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

FINANCIAL STATEMENTS

May 31, 2025, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps

### Opinion

We have audited the accompanying financial statements of Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps (a nonprofit organization), which comprise the statements of financial position as of May 31, 2025, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years 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 Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps as of May 31, 2025, 2024 and 2023, and the changes in its net assets and its 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. 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 Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps' 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 Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps' 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 Papanicolaou Corps for Cancer Research, Inc. d/b/a The Pap Corps' 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 audits.

A handwritten signature in black ink that reads "Bernice Pallas Beant". The signature is written in a cursive style with a large initial 'B'.

Fort Lauderdale, Florida  
February 26, 2026

PAPANICOLAOU CORPUS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPUS

STATEMENTS OF FINANCIAL POSITION

|   | May 31,             |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | 2025                | 2024                | 2023                |
| <b>ASSETS</b>   |                     |                     |                     |
| Cash and cash equivalents   | \$ 4,017,422        | \$ 4,304,972        | \$ 4,121,791        |
| Cash and cash equivalents - restricted  | 2,000               | 2,000               | 7,324               |
| Receivables:  |                     |                     |                     |
| Pledges, net of allowance for credit losses of approximately \$260,000 at May 31, 2025, 2024 and 2023 | 271,051             | 43,503              | 40,662              |
| Other, net of unamortized discount of \$27,180 and \$34,428 at May 31, 2025 and 2024, respectively    | 258,469             | 334,825             | -                   |
| Prepaid expenses and other assets   | <u>116,395</u>      | <u>89,650</u>       | <u>80,372</u>       |
| <b>TOTAL ASSETS</b>   | <u>\$ 4,665,337</u> | <u>\$ 4,774,950</u> | <u>\$ 4,250,149</u> |
| <b>LIABILITIES AND NET ASSETS (DEFICIT)</b>   |                     |                     |                     |
| <b>LIABILITIES</b>  |                     |                     |                     |
| Accounts payable and accrued expenses   | \$ 215,765          | \$ 142,496          | \$ 140,583          |
| Deferred contributions  | 10,000              | -                   | -                   |
| Pledges payable, net (Note B)   | <u>13,866,211</u>   | <u>16,880,835</u>   | <u>19,780,387</u>   |
| <b>TOTAL LIABILITIES</b>  | 14,091,976          | 17,023,331          | 19,920,970          |
| <b>COMMITMENTS AND CONTINGENCIES</b>  |                     |                     |                     |
| <b>NET ASSETS (DEFICIT)</b>   |                     |                     |                     |
| Without donor restrictions  | (9,687,108)         | (12,585,206)        | (15,678,145)        |
| With donor restrictions   | <u>260,469</u>      | <u>336,825</u>      | <u>7,324</u>        |
| <b>TOTAL NET ASSETS (DEFICIT)</b>   | <u>(9,426,639)</u>  | <u>(12,248,381)</u> | <u>(15,670,821)</u> |
| <b>TOTAL LIABILITIES AND NET ASSETS (DEFICIT)</b>   | <u>\$ 4,665,337</u> | <u>\$ 4,774,950</u> | <u>\$ 4,250,149</u> |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended May 31, 2025

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                 |
|--|-------------------------------|----------------------------|-----------------------|
| <b>DONOR CONTRIBUTIONS, GAINS, AND OTHER SUPPORT:</b>          |                               |                            |                       |
| Special events contributions                                   | \$ 604,144                    | \$ -                       | \$ 604,144            |
| Contributions, legacies and bequests, net                      | 5,375,402                     | -                          | 5,375,402             |
| Membership dues, net of cancellations and discounts            | 441,258                       | -                          | 441,258               |
| Other income, net  | 104,812                       | -                          | 104,812               |
| Interest and dividends, net                                    | 74,008                        | -                          | 74,008                |
| Realized loss on investment securities, net                    | (1,059)                       | -                          | (1,059)               |
| Non-financial assets released from restrictions (Note H)       | <u>-</u>                      | <u>(76,356)</u>            | <u>(76,356)</u>       |
| <br>   |                               |                            |                       |
| <b>TOTAL DONOR CONTRIBUTIONS, GAINS,<br/>AND OTHER SUPPORT</b> | <u>6,598,565</u>              | <u>(76,356)</u>            | <u>6,522,209</u>      |
| <br>   |                               |                            |                       |
| <b>EXPENSES:</b>   |                               |                            |                       |
| Program services   | 1,084,612                     | -                          | 1,084,612             |
| Supporting services:   |                               |                            |                       |
| Management and general   | 519,904                       | -                          | 519,904               |
| Fundraising  | <u>2,095,951</u>              | <u>-</u>                   | <u>2,095,951</u>      |
| Total supporting services                                      | <u>2,615,855</u>              | <u>-</u>                   | <u>2,615,855</u>      |
| <br>   |                               |                            |                       |
| <b>TOTAL EXPENSES</b>  | <u>3,700,467</u>              | <u>-</u>                   | <u>3,700,467</u>      |
| <br>   |                               |                            |                       |
| CHANGE IN NET ASSETS (DEFICIT)                                 | 2,898,098                     | (76,356)                   | 2,821,742             |
| NET ASSETS (DEFICIT) - BEGINNING OF YEAR                       | <u>(12,585,206)</u>           | <u>336,825</u>             | <u>(12,248,381)</u>   |
| NET ASSETS (DEFICIT) - END OF YEAR                             | <u>\$ (9,687,108)</u>         | <u>\$ 260,469</u>          | <u>\$ (9,426,639)</u> |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended May 31, 2024

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                  |
|--|-------------------------------|----------------------------|------------------------|
| <b>DONOR CONTRIBUTIONS, GAINS, AND OTHER SUPPORT:</b>          |                               |                            |                        |
| Special events contributions                                   | \$ 3,654,456                  | \$ -                       | \$ 3,654,456           |
| Contributions, legacies and bequests, net                      | 2,266,976                     | -                          | 2,266,976              |
| Membership dues, net of cancellations and discounts            | 450,573                       | -                          | 450,573                |
| Other income, net  | 494,309                       | -                          | 494,309                |
| Interest and dividends, net                                    | 82,890                        | -                          | 82,890                 |
| Realized gains on investment securities, net                   | 53,163                        | -                          | 53,163                 |
| Non-financial assets added with restrictions (Note H)          | -                             | 334,825                    | 334,825                |
| Financial assets released from restrictions                    | -                             | (5,324)                    | (5,324)                |
|  | <u>7,002,367</u>              | <u>329,501</u>             | <u>7,331,868</u>       |
| <b>TOTAL DONOR CONTRIBUTIONS, GAINS,<br/>AND OTHER SUPPORT</b> |                               |                            |                        |
| <b>EXPENSES:</b>   |                               |                            |                        |
| Program services   | 1,144,535                     | -                          | 1,144,535              |
| Supporting services:   |                               |                            |                        |
| Management and general   | 486,978                       | -                          | 486,978                |
| Fundraising  | 2,277,915                     | -                          | 2,277,915              |
| Total supporting services                                      | <u>2,764,893</u>              | <u>-</u>                   | <u>2,764,893</u>       |
| <b>TOTAL EXPENSES</b>  | <u>3,909,428</u>              | <u>-</u>                   | <u>3,909,428</u>       |
| CHANGE IN NET ASSETS (DEFICIT)                                 | 3,092,939                     | 329,501                    | 3,422,440              |
| NET ASSETS (DEFICIT) - BEGINNING OF YEAR                       | <u>(15,678,145)</u>           | <u>7,324</u>               | <u>(15,670,821)</u>    |
| NET ASSETS (DEFICIT) - END OF YEAR                             | <u>\$ (12,585,206)</u>        | <u>\$ 336,825</u>          | <u>\$ (12,248,381)</u> |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended May 31, 2023

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                  |
|--|-------------------------------|----------------------------|------------------------|
| <b>DONOR CONTRIBUTIONS, GAINS, AND OTHER SUPPORT:</b>          |                               |                            |                        |
| Special events contributions                                   | \$ 2,958,835                  | \$ -                       | \$ 2,958,835           |
| Contributions, legacies and bequests, net                      | 7,960,172                     | -                          | 7,960,172              |
| Membership dues, net of cancellations and discounts            | 371,321                       | -                          | 371,321                |
| Other income, net  | 81,993                        | -                          | 81,993                 |
| Interest and dividends, net                                    | 48,633                        | -                          | 48,633                 |
| Realized loss on investment securities, net                    | (1,175)                       | -                          | (1,175)                |
| Non-financial assets released from restrictions (Note H)       | -                             | (51,287)                   | (51,287)               |
| Financial assets added with restrictions                       | -                             | 1,028                      | 1,028                  |
|  | <u>11,419,779</u>             | <u>(50,259)</u>            | <u>11,369,520</u>      |
| <b>TOTAL DONOR CONTRIBUTIONS, GAINS,<br/>AND OTHER SUPPORT</b> |                               |                            |                        |
| <b>EXPENSES:</b>   |                               |                            |                        |
| Program services   | 5,167,334                     | -                          | 5,167,334              |
| Supporting services:   |                               |                            |                        |
| Management and general   | 442,048                       | -                          | 442,048                |
| Fundraising  | 2,281,721                     | -                          | 2,281,721              |
| Total supporting services                                      | <u>2,723,769</u>              | <u>-</u>                   | <u>2,723,769</u>       |
| <b>TOTAL EXPENSES</b>  | <u>7,891,103</u>              | <u>-</u>                   | <u>7,891,103</u>       |
| CHANGE IN NET ASSETS (DEFICIT)                                 | 3,528,676                     | (50,259)                   | 3,478,417              |
| NET ASSETS (DEFICIT) - BEGINNING OF YEAR                       | <u>(19,206,821)</u>           | <u>57,583</u>              | <u>(19,149,238)</u>    |
| NET ASSETS (DEFICIT) - END OF YEAR                             | <u>\$ (15,678,145)</u>        | <u>\$ 7,324</u>            | <u>\$ (15,670,821)</u> |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF FUNCTIONAL EXPENSES

For the Fiscal Year Ended May 31, 2025

|   | PROGRAM SERVICES    |                        | SUPPORTING SERVICES    |                     |                           | Total Program and Supporting Services Expenses |
|---|---------------------|------------------------|------------------------|---------------------|---------------------------|--|
|   | Research            | Total Program Services | Management and General | Fundraising         | Total Supporting Services |  |
| Salaries                                    | \$ 99,048           | \$ 99,048              | \$ 148,573             | \$ 247,621          | \$ 396,194                | \$ 495,242                                     |
| Payroll taxes                               | 7,778               | 7,778                  | 11,668                 | 19,446              | 31,114                    | 38,892   |
| Employee benefits                           | 12,569              | 12,569                 | 19,404                 | 32,716              | 52,120                    | 64,689   |
| Employee retirement benefit                 | 2,415               | 2,415                  | 3,624                  | 6,040               | 9,664                     | 12,079   |
| Total salaries and related expenses         | <u>121,810</u>      | <u>121,810</u>         | <u>183,269</u>         | <u>305,823</u>      | <u>489,092</u>            | <u>610,902</u>                                 |
| Food and beverage                           | -                   | -                      | 78,846                 | 813,259             | 892,105                   | 892,105  |
| Charitable donations                        | 906,584             | 906,584                | -                      | -                   | -                         | 906,584  |
| Fundraising expense, supplies and materials | 54,961              | 54,961                 | 1,377                  | 671,821             | 673,198                   | 728,159  |
| Printing                                    | -                   | -                      | -                      | 21,027              | 21,027                    | 21,027   |
| Travel and entertainment                    | -                   | -                      | 6,109                  | 3,915               | 10,024                    | 10,024   |
| In-kind                                     | -                   | -                      | 83,604                 | -                   | 83,604                    | 83,604   |
| Advertising and marketing                   | -                   | -                      | 83                     | 30,432              | 30,515                    | 30,515   |
| Professional fees                           | -                   | -                      | 113,564                | 3,504               | 117,068                   | 117,068  |
| Bank fees                                   | 1,257               | 1,257                  | 11,543                 | 139,589             | 151,132                   | 152,389  |
| Office                                      | -                   | -                      | 13,151                 | 40,413              | 53,564                    | 53,564   |
| Software                                    | -                   | -                      | 24,179                 | 56,417              | 80,596                    | 80,596   |
| Insurance                                   | -                   | -                      | 4,179                  | 9,751               | 13,930                    | 13,930   |
| Total                                       | <u>\$ 1,084,612</u> | <u>\$ 1,084,612</u>    | <u>\$ 519,904</u>      | <u>\$ 2,095,951</u> | <u>\$ 2,615,855</u>       | <u>\$ 3,700,467</u>                            |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF FUNCTIONAL EXPENSES

For the Fiscal Year Ended May 31, 2024

|   | PROGRAM SERVICES    |                        | SUPPORTING SERVICES    |                     |                           | Total Program and Supporting Services Expenses |
|---|---------------------|------------------------|------------------------|---------------------|---------------------------|--|
|   | Research            | Total Program Services | Management and General | Fundraising         | Total Supporting Services |  |
| Salaries                                    | \$ 99,823           | \$ 99,823              | \$ 149,734             | \$ 249,556          | \$ 399,290                | \$ 499,113                                     |
| Payroll taxes                               | 7,587               | 7,587                  | 11,380                 | 18,967              | 30,347                    | 37,934   |
| Employee benefits                           | 12,333              | 12,333                 | 18,643                 | 31,173              | 49,816                    | 62,149   |
| Employee retirement benefit                 | 2,215               | 2,215                  | 3,323                  | 5,538               | 8,861                     | 11,076   |
| Total salaries and related expenses         | <u>121,958</u>      | <u>121,958</u>         | <u>183,080</u>         | <u>305,234</u>      | <u>488,314</u>            | <u>610,272</u>                                 |
| Food and beverage                           | -                   | -                      | 59,616                 | 853,235             | 912,851                   | 912,851  |
| Charitable donations                        | 906,583             | 906,583                | -                      | -                   | -                         | 906,583  |
| Fundraising expense, supplies and materials | 114,725             | 114,725                | 2,990                  | 733,532             | 736,522                   | 851,247  |
| Printing                                    | -                   | -                      | -                      | 43,662              | 43,662                    | 43,662   |
| Travel and entertainment                    | -                   | -                      | 5,352                  | 4,691               | 10,043                    | 10,043   |
| In-kind                                     | -                   | -                      | 82,850                 | -                   | 82,850                    | 82,850   |
| Advertising and marketing                   | -                   | -                      | 114                    | 39,469              | 39,583                    | 39,583   |
| Professional fees                           | -                   | -                      | 107,357                | 58,997              | 166,354                   | 166,354  |
| Bank fees                                   | 1,269               | 1,269                  | 11,938                 | 146,833             | 158,771                   | 160,040  |
| Office                                      | -                   | -                      | 11,102                 | 39,579              | 50,681                    | 50,681   |
| Software                                    | -                   | -                      | 18,268                 | 42,626              | 60,894                    | 60,894   |
| Insurance                                   | -                   | -                      | 4,311                  | 10,057              | 14,368                    | 14,368   |
| Total                                       | <u>\$ 1,144,535</u> | <u>\$ 1,144,535</u>    | <u>\$ 486,978</u>      | <u>\$ 2,277,915</u> | <u>\$ 2,764,893</u>       | <u>\$ 3,909,428</u>                            |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENT OF FUNCTIONAL EXPENSES

For the Fiscal Year Ended May 31, 2023

|   | PROGRAM SERVICES    |                           | SUPPORTING SERVICES       |                     |                              | Total Program<br>and Supporting<br>Services Expenses |
|---|---------------------|---------------------------|---------------------------|---------------------|------------------------------|--|
|   | Research            | Total Program<br>Services | Management<br>and General | Fundraising         | Total Supporting<br>Services |  |
| Salaries                                    | \$ 104,991          | \$ 104,991                | \$ 157,486                | \$ 262,478          | \$ 419,964                   | \$ 524,955   |
| Payroll taxes                               | 8,240               | 8,240                     | 12,360                    | 20,600              | 32,960                       | 41,200   |
| Employee benefits                           | 10,792              | 10,792                    | 16,611                    | 27,965              | 44,576                       | 55,368   |
| Employee retirement benefit                 | 2,610               | 2,610                     | 3,915                     | 6,525               | 10,440                       | 13,050   |
| Total salaries and related expenses         | <u>126,633</u>      | <u>126,633</u>            | <u>190,372</u>            | <u>317,568</u>      | <u>507,940</u>               | <u>634,573</u>                                       |
| Food and beverage                           | -                   | -                         | 67,315                    | 828,270             | 895,585                      | 895,585  |
| Charitable donations                        | 4,952,468           | 4,952,468                 | -                         | -                   | -                            | 4,952,468  |
| Fundraising expense, supplies and materials | 86,948              | 86,948                    | 4,250                     | 840,500             | 844,750                      | 931,698  |
| Printing                                    | -                   | -                         | -                         | 27,972              | 27,972                       | 27,972   |
| Travel and entertainment                    | -                   | -                         | 4,952                     | 1,400               | 6,352                        | 6,352  |
| In-kind                                     | -                   | -                         | 83,021                    | -                   | 83,021                       | 83,021   |
| Advertising and marketing                   | -                   | -                         | -                         | 25,847              | 25,847                       | 25,847   |
| Professional fees                           | -                   | -                         | 49,567                    | 21,718              | 71,285                       | 71,285   |
| Bank fees                                   | 1,285               | 1,285                     | 11,467                    | 134,173             | 145,640                      | 146,925  |
| Office                                      | -                   | -                         | 11,538                    | 36,760              | 48,298                       | 48,298   |
| Software                                    | -                   | -                         | 15,853                    | 38,849              | 54,702                       | 54,702   |
| Insurance                                   | -                   | -                         | 3,713                     | 8,664               | 12,377                       | 12,377   |
| Total                                       | <u>\$ 5,167,334</u> | <u>\$ 5,167,334</u>       | <u>\$ 442,048</u>         | <u>\$ 2,281,721</u> | <u>\$ 2,723,769</u>          | <u>\$ 7,891,103</u>                                  |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

STATEMENTS OF CASH FLOWS

|  | Fiscal Years Ended May 31, |                     |                     |
|--|----------------------------|---------------------|---------------------|
|  | 2025                       | 2024                | 2023                |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                            |                     |                     |
| Change in net deficit  | \$ 2,821,742               | \$ 3,422,440        | \$ 3,478,417        |
| Adjustments to reconcile change in net deficit to net cash provided by (used in) operating activities: |                            |                     |                     |
| Discount on promised use   | (7,248)                    | 34,428              | (4,869)             |
| Change in operating assets and liabilities:  |                            |                     |                     |
| Pledges receivable, net  | (227,548)                  | (2,841)             | 58,085              |
| Other receivables  | 83,604                     | (369,253)           | 56,156              |
| Prepaid expenses and other assets  | (26,745)                   | (9,278)             | (14,127)            |
| Accounts payable and accrued expenses  | 73,269                     | 1,913               | (42,880)            |
| Pledge payable, net  | (3,014,624)                | (2,899,552)         | (3,523,541)         |
| Deferred contributions   | 10,000                     | -                   | (48,824)            |
| <b>TOTAL ADJUSTMENTS</b>   | <u>(3,109,292)</u>         | <u>(3,244,583)</u>  | <u>(3,520,000)</u>  |
| <b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>   | <u>(287,550)</u>           | <u>177,857</u>      | <u>(41,583)</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                            |                     |                     |
| Proceeds from sale of securities   | -                          | -                   | 51,651              |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>   | <u>-</u>                   | <u>-</u>            | <u>51,651</u>       |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>   | (287,550)                  | 177,857             | 10,068              |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>   | <u>4,306,972</u>           | <u>4,129,115</u>    | <u>4,119,047</u>    |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>   | <u>\$ 4,019,422</u>        | <u>\$ 4,306,972</u> | <u>\$ 4,129,115</u> |
| <b>SUPPLEMENTAL DISCLOSURE OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH:</b>                          |                            |                     |                     |
| Cash and cash equivalents  | \$ 4,017,422               | \$ 4,304,972        | \$ 4,121,791        |
| Cash and cash equivalents - restricted   | 2,000                      | 2,000               | 7,324               |
| <b>Total cash and cash equivalents</b>   | <u>\$ 4,019,422</u>        | <u>\$ 4,306,972</u> | <u>\$ 4,129,115</u> |

See accompanying notes to financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS

May 31, 2025, 2024 and 2023

NOTE A--THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization: Papanicolaou Corps for Cancer Research Inc. (the "Organization") d/b/a The Pap Corps is a Florida not-for-profit organization exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code ("IRC"). The Organization was initially formed on February 1, 1990, under the name Papanicolaou Woman's Corps for Cancer Research, Inc. On July 21, 1999, the Organization amended its articles of incorporation and changed its name to Papanicolaou Corps for Cancer Research, Inc.

The Organization's sole purpose is to raise funds to support cancer research at the Sylvester Comprehensive Cancer Center at the University of Miami Miller School of Medicine ("Sylvester Center"). In 2016, the Organization made a \$50,000,000 unconditional commitment (the "Pledge") to the Sylvester Center to support the expansion of the Sylvester Comprehensive Cancer Center at the Deerfield Beach facility. In honor of the gift, the Sylvester Center named the facility The Pap Corps Campus. The Pledge was to be used to fund research in cancer epigenetics, cancer control and tumor biology to be paid over ten years and subsequently extended an additional five years (Note B). The Pledge was instrumental to the Sylvester Center's receipt of the prestigious National Cancer Institute ("NCI") designation. The Sylvester Center is the only NCI-designated cancer center in South Florida, and one of only two in the state of Florida. Over the years, the Organization has donated over \$100,000,000, including the historic \$50,000,000 Pledge to the Sylvester Center. Funds raised at the Organization's events are utilized to support the Sylvester Center, as well as pay down the Pledge. Through May 31, 2025, the Organization has paid \$33,180,999 of the Pledge balance.

On January 13, 2023, the Organization agreed to make an additional gift of \$5,000,000 to the Sylvester Comprehensive Cancer Center (the "Second Pledge"), to be allocated to the Transformational Cancer Research Building Fund. Through May 31, 2025, the Organization has paid \$3,992,343 of the Second Pledge balance.

The Organization is headquartered in Deerfield Beach, Florida, maintains chapters throughout the state of Florida. The Organization is the largest, volunteer cancer fundraising organization in South Florida, with approximately 20,000 volunteers.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Basis of Accounting: The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Net assets, donor contributions, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

- Net assets without donor restrictions: Net assets currently available for use in the current operation of the Organization under the direction of the Board of Directors, and those resources invested in property and equipment.
- Net assets with donor restrictions: Net assets with donor restrictions represent contributions subject to donor-imposed restrictions. Some restrictions are temporary in nature, stipulating that resources be used after a specified date or for a particular purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of a restriction is accomplished, net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Some restrictions are perpetual in nature and mandate the original principal be invested in perpetuity. There were no assets with perpetual restrictions as of May 31, 2025, 2024 and 2023.

Liquidity: Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

Cash Equivalents: All highly liquid cash investments with original maturities of three months or less when purchased are considered to be cash equivalents. The Organization maintained approximately \$5,000, \$13,000 and \$81,000 in cash equivalents as of May 31, 2025, 2024 and 2023, respectively.

Investment Securities: Investment securities are reported at fair value. 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. A decline in the fair value of an investment security below cost that is deemed other than temporary is charged as an impairment loss of investment securities. Investment security transactions are recorded on a trade date basis. The cost basis of investments sold is determined by the average cost method. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. As of May 31, 2025, 2024 and 2023, the Organization had no investment securities.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Advertising Costs: Advertising costs are expensed as incurred and amounted to approximately \$194,000, \$353,000 and \$233,000 for the fiscal years ended May 31, 2025, 2024 and 2023, respectively.

Pledges Receivable: Pledges receivable represent unconditional promises to give and are recognized in the financial statements as pledges receivable and contribution revenue in the appropriate net asset category based on donor-imposed restrictions, if any. Pledges receivable are recorded at the amount expected to be collected, which may include a discount to reflect the time value of money when collection is expected in future periods, and are presented net of an allowance for credit losses.

The Organization maintains an allowance for credit losses for pledges receivable in accordance with the current expected credit losses model. The allowance represents management's estimate of expected credit losses over the contractual term of the pledges and is developed using historical collection and write-off experience, adjusted for current conditions and reasonable and supportable forecasts. When estimating expected credit losses, management considers information about past events, including prior collection and payment experience, as well as current and forward-looking information that may affect collectability, including geographical and industry-specific economic conditions.

The provision for credit losses as of May 31, 2025, 2024 and 2023 was approximately \$260,000. The Organization did not have any write-offs to the provision for any of the years then ended.

Deferred Contributions: Contributions received ahead of corresponding events are deferred and recognized when the respective event occurs.

Contributions: Contributions and gifts received with no restrictions or specified uses identified by the donor or grantor are included in contributions without donor restrictions in the statement of activities when received. Contributions received with donor or grantor stipulations that limit the use of donated assets are reported as contributions with donor restrictions in the statement of activities when received. When donor or grantor restrictions expire or are fulfilled by actions of the Organization, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the accompanying financial statements.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Membership Dues: Membership dues are nonreciprocal contributions rather than exchange transactions as members do not receive commensurate value in return for their payments and the Organization has no performance obligations associated with membership. Accordingly, membership dues are recognized as contribution revenue in the period the dues are received (or when an unconditional promise to give is made, if applicable) at the amount received or receivable.

Fund-Raising Activities: The Organization's financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, "Not-for-Profit Entities". FASB ASC 958 establishes criteria for accounting and reporting for any entity that solicits contributions.

In-kind Donations: Donated assets are recorded at fair value on the date of the donation. The Organization utilizes the services of volunteers in its program services and fundraising campaigns. Because there are no objective means of valuing such volunteer services, no amounts have been recorded in the accompanying financial statements.

Functional Allocation of Expenses: The costs of providing for the research program and other activities have been summarized on a functional basis in the statements of activities. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. A majority of the common expenses have been allocated among the program and supporting services based upon an individual's salary and management's estimate of time spent within the functional areas of the Organization. Expenditures made in direct fulfillment of the Organization's expressed goals are classified as program services.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of donor contributions and expenses, and gains and losses during the reporting period. The most significant estimates include an allowance for uncollectible pledges receivable and an estimate for indirect expenses that are allocated among the program and supporting services. Actual results could differ from those estimates.

Subsequent Events: The Organization has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through February 26, 2026, the date the financial statements were available to be issued.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Adoption of New Accounting Principles: In February 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-02, Leases, which created ASC Topic 842, Leases and supersedes ASC Topic 840, Leases. Topic 842 requires lessees to recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset, for leases classified as operating leases under previous GAAP. In addition, the FASB issued ASU 2018-10 and ASU 2018-11 in July 2018, ASU 2018-20 in December 2018, and ASU 2019-01 in March 2019 to clarify and correct unintended application of guidance in ASC Topic 842. In November 2021, the FASB issued ASU 2021-09, which amends the practical expedient in FASB ASC Topic 842, Leases, that allows lessees that are not public business entities to make an accounting policy election to use a risk-free rate as the rate applied to discount lease liabilities and the corresponding right-of-use assets. The amendments in these updates are generally effective for annual reporting periods beginning after December 15, 2021.

In June 2016, the FASB issued ASU 2016-13 Financial Instruments, Measurement of Credit Losses on Financial Instruments. The main objective of this update is to replace the incurred loss impairment methodology under current GAAP, with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Trade receivables that management has the intent and ability to hold for the foreseeable future until payoff shall be reported in the statement of financial position at outstanding principal adjusted for any charge-offs and the allowance for credit losses (no longer referred to as the allowance for doubtful accounts). Subsequent to June 2016, the FASB has issued various accounting standards updates to clarify and improve areas of guidance related to ASU 2016-13. ASU 2016-13 is effective for annual reporting periods beginning after December 15, 2022.

In October 2020, the FASB issued ASU 2020-10, Codification Improvements. The amendments in this ASU improve the consistency of the ASC by including all disclosure guidance in the appropriate disclosure section and clarifying the guidance so that an entity can apply the guidance more consistently. ASU 2020-10 is effective for annual periods beginning after December 15, 2021.

The Organization adopted ASU 2016-02, ASU 2016-13, ASU 2020-10 and their respective interpretive updates effective June 1, 2022. Implementation of these standards did not require reclassification or restatement of any opening balances related to the period presented. The accompanying financial statements include the required enhancements to presentation and disclosure.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE B--PLEDGES PAYABLE

The Organization made the Pledge to the Sylvester Center during the fiscal year ended May 31, 2017, pursuant to a gift agreement executed September 22, 2016, as amended (the "Pledge"). The Pledge was recorded when awarded by the Organization. At May 31, 2025, 2024 and 2023, the Organization had a payable to Sylvester Center amounting to approximately \$13,240,000, \$15,359,000 and \$18,044,000, respectively, related to this Pledge.

Additionally, on January 13, 2023, the Organization agreed to make a gift of \$5,000,000 to the Sylvester Center, to be allocated to the Transformational Cancer Research Building Fund (the "Second Pledge"). This Second Pledge was recorded when awarded by the Organization. At May 31, 2025, 2024 and 2023, the Organization had a payable to Sylvester Center amounting to approximately \$626,000, \$1,521,000 and \$1,737,000, respectively, related to this Second Pledge.

Pledges payable represents the present value of estimated future cash outflows for the Pledge and Second Pledge.

The Pledge and Second Pledge extend until May 31, 2030 and 2027, respectively. Each pledge is discounted at a rate commensurable with the risk involved. For fiscal years ended May 31, 2025, 2024 and 2023, the change in Pledges payable discount was \$906,583.

Pledges payable are valued at May 31, 2025, as follows:

| <u>Fiscal Year Ended May 31,</u>     | <u>Amount</u>        |
|--------------------------------------|----------------------|
| 2026                                 | \$ 3,400,000         |
| 2027                                 | 4,174,907            |
| 2028                                 | 3,417,250            |
| 2029                                 | 3,417,250            |
| 2030                                 | <u>3,417,251</u>     |
|                                      | <u>17,826,658</u>    |
| Less: discount to present value      | <u>(3,960,447)</u>   |
| Pledges payable at May 31, 2025, net | <u>\$ 13,866,211</u> |

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE C--LIQUIDITY

The following reflects the Organization's financial assets as of May 31, 2025, reduced by amounts not available for general use within one year of the financial statement date due to donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditure in the following year. Amounts not available included amounts set aside for operating and other reserves that could be drawn upon if the Board of Directors approves that action.

|  |                     |
|--|---------------------|
| Financial Assets as of May 31, 2025  | \$ 4,548,942        |
| Less those amounts unavailable for general expenditures within one year, due to:       |                     |
| Donor-restricted cash  | (2,000)             |
| Donor-restricted contribution receivable   | <u>(258,469)</u>    |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 4,288,473</u> |

NOTE D--CASH AND CASH EQUIVALENTS

Cash and cash equivalents are stated at cost plus accrued interest, which approximates market. Cash and cash equivalents consist of the following as of May 31:

|  | <u>2025</u>         | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|---------------------|
| Cash                                     | \$ 4,012,394        | \$ 4,292,332        | \$ 4,040,407        |
| Money market accounts (cash equivalents) | 5,028               | 12,640              | 81,384              |
| Total                                    | <u>\$ 4,017,422</u> | <u>\$ 4,304,972</u> | <u>\$ 4,121,791</u> |

NOTE E--PLEDGES RECEIVABLE

Unconditional promises to give as of May 31, 2025, net of credit losses amounts and unamortized discounts, consist of the following:

|                                      |                   |
|--------------------------------------|-------------------|
| <u>Pledges, net</u>                  |                   |
| Collectible within 1 year            | \$ 234,539        |
| Collectible within 1 year to 5 years | <u>36,512</u>     |
|                                      | <u>\$ 271,051</u> |
| <u>Other, net</u>                    |                   |
| Collectible within 1 to 5 years      | <u>\$ 258,469</u> |

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE F--TAX STATUS

The Organization is exempt (except for unrelated business income) from Federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. The Organization had no components of unrelated business income for the fiscal year ended May 31, 2025. The Organization accounts for uncertainty in income taxes in accordance with GAAP, which requires recognition in the financial statements of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Organization had no material unrecognized tax benefits and no adjustments to its financial position, activities, functional expenses, or cash flows were required as of May 31, 2025. The Organization does not expect that unrecognized tax benefits will increase within the next twelve months. The Organization's tax returns for the fiscal years ended May 31, 2022 through 2025 remain subject to examination by major tax jurisdictions. The Organization recognizes accrued interest and penalties, if any, related to uncertain tax positions as income tax expense.

NOTE G--COMMITMENTS AND CONTINGENCIES

Litigation: From time to time, the Organization may be involved in various asserted claims and legal proceedings arising in the ordinary course of business, some of which may involve claims for substantial amounts. Management provides provisions for these items to the extent that the losses are deemed both probable and reasonably estimable. No provisions were required for the fiscal years ended May 31, 2025, 2024 and 2023.

NOTE H--IN-KIND

The Organization's corporate offices are located in certain property that is leased by an unrelated third party (the "In-Kind Donor"). The rent associated with this property is paid directly by the In-Kind Donor and the Organization records the related amounts paid by the In-Kind Donor as in-kind contributions, along with the corresponding rent expenses. During the year ended May 31, 2023, the original terms of the lease expired and the rent was assumed by the In-Kind Donor on a month to month arrangement. In-kind rent expense during the year ended May 31, 2023 amounted to approximately \$83,000. On August 31, 2023, the In-Kind Donor entered into a 5 year lease agreement, and the value of the remaining lease is reflected as other contribution receivable of approximately \$258,000 and \$335,000 as of May 31, 2025 and 2024, respectively, net of the unamortized discount value calculated using an effective rate of 3%. The value of the remaining lease is reflected within net assets with donor restrictions and is being recognized over the life of the leased office space (through October 2028).

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE H--IN-KIND--Continued

During the fiscal years ended May 31, 2025 and 2024, the Organization recorded in-kind rent expense amounting to a total of approximately \$84,000 and \$83,000, respectively, related to these activities. These amounts are presented in the accompanying statements of activities as components of other support and management and general expenses. The Organization receives certain donations of goods and services for the purpose of offering raffle and auction rewards for events hosted by the Organization. Such donations were not significant to the Organization for the years ended May 31, 2025, 2024 and 2023.

Other contribution receivable is valued at May 31, 2025, as follows:

| <u>Fiscal Year Ended May 31,</u>                   | <u>Amount</u>            |
|--|--------------------------|
| 2026   | \$ 83,604                |
| 2027   | 83,604                   |
| 2028   | 83,604                   |
| 2029   | <u>34,837</u>            |
|  | <u>\$ 285,649</u>        |
| Less: discount to present value                    | <u>(27,180)</u>          |
| Other contribution receivable at May 31, 2025, net | <u><u>\$ 258,469</u></u> |

NOTE I--EMPLOYEE BENEFIT PLAN

The Organization offers its employees a 401(k) plan (the "Plan") covering substantially all employees who have completed two months of service with the Organization and are 21 years of age or older.

Employees may contribute up to 100% of their annual compensation, as defined in the Plan, subject to the maximum allowable contribution limit established by IRS regulations. The Organization provides 100% matching of employee contributions up to a maximum of 4% of the employee's gross earnings. For the fiscal years ended May 31, 2025, 2024 and 2023, the Organization contributed approximately \$12,000, \$11,000 and \$13,000, respectively, to the Plan.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE J--CONCENTRATIONS OF CREDIT RISK

Financial instruments, which potentially subject the Organization to significant concentrations of credit risk, consist principally of cash, cash equivalents and pledges receivable. To date, no losses have been incurred on any of the Organization's cash, cash equivalents.

The Organization maintains certain of its cash and cash equivalents in demand deposit accounts at financial institutions, which at times, may exceed federally insured limits. The Federal Deposit Insurance Corporation insures eligible accounts up to \$250,000 per depositor at each financial institution. The Organization has not experienced any losses related to these balances and holds cash and cash equivalents at well-known banks, minimizing exposure to significant risk.

Concentrations of credit risk with respect to pledges receivable are limited due to the Organization's large number of donors. The Organization maintains allowances for potential credit losses. Actual losses incurred have historically been within management's expectations and estimates.

PAPANICOLAOU CORPS FOR CANCER RESEARCH, INC. D/B/A THE PAP CORPS

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE K--RESTRICTIONS AND DESIGNATIONS ON NET ASSETS (DEFICIT)

Net assets with and without donor restrictions consist of the following at May 31:

|   | <u>2025</u>            |
|---|------------------------|
| Total net assets (deficit) without donor restrictions | \$ (9,687,108)         |
| Amounts restricted by time or purpose:                |                        |
| Time – in-kind rent (Note H)                          | 258,469                |
| Program   | <u>2,000</u>           |
| Total net assets with donor restrictions              | <u>260,469</u>         |
| Total net assets (deficit)                            | <u>\$ (9,426,639)</u>  |
|   | <u>2024</u>            |
| Total net assets (deficit) without donor restrictions | \$ (12,585,206)        |
| Amounts restricted by time or purpose:                |                        |
| Time – in-kind rent (Note H)                          | 334,825                |
| Program   | <u>2,000</u>           |
| Total net assets with donor restrictions              | <u>336,825</u>         |
| Total net assets (deficit)                            | <u>\$ (12,248,381)</u> |
|   | <u>2023</u>            |
| Total net assets (deficit) without donor restrictions | \$ (15,678,145)        |
| Amounts restricted by time or purpose:                |                        |
| Time – in-kind rent (Note H)                          | -                      |
| Program   | <u>7,324</u>           |
| Total net assets with donor restrictions              | <u>7,324</u>           |
| Total net assets (deficit)                            | <u>\$ (15,670,821)</u> |