

THE MARY RUCHALSKI FOUNDATION, INC.  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023  
AND  
INDEPENDENT ACCOUNTANTS' REVIEW REPORT

THE MARY RUCHALSKI FOUNDATION, INC.

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To The Board of Directors  
The Mary Ruchalski Foundation, Inc.

We have reviewed the accompanying financial statements of The Mary Ruchalski Foundation, Inc. (not-for-profit organization), which comprise of the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***Management's Responsibility 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.

### ***Accountants' Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Mary Ruchalski Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### ***Accountants' Conclusion***

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

DocuSigned by:

Trachtenberg & Pauker, LLP  
Woodbury, New York  
November 14, 2024

THE MARY RUCHALSKI FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

ASSETS

Current Assets	
Cash	\$ 36,375
Inventory	<u>13,849</u>
Total Current Assets	<u>\$ 50,224</u>

NET ASSETS

Net Assets	
Without donor restrictions	<u>\$ 50,224</u>
Total Net Assets	<u>\$ 50,224</u>

See Independent Accountants' Review Report.

See Accompanying Notes.

THE MARY RUCHALSKI FOUNDATION, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>WITHOUT DONOR RESTRICTIONS</u>
Revenue and Support	
General contributions	\$ 56,821
Revenues from fundraising events	285,367
Interest income	<u>1,772</u>
Total Revenue and Support	<u>343,960</u>
Expenses	
Program services	255,367
Management and general	4,024
Fundraising	<u>90,089</u>
Total Expenses	<u>349,480</u>
Change in Net Assets	(5,520)
Net Assets - Beginning of year	<u>55,744</u>
Net Assets - End of year	<u><u>\$ 50,224</u></u>

See Independent Accountants' Review Report.

See Accompanying Notes.

## THE MARY RUCHALSKI FOUNDATION, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Research grants	\$ 202,000	\$ -	\$ -	\$ 202,000
Pediatric patient grants	34,750	-	-	34,750
Other support for pediatric patients	10,286	-	-	10,286
Raising awareness about pediatric cancer	4,303	-	-	4,303
Educational and recreational support	4,028	-	-	4,028
Hearts of gold gala expenses	-	-	46,845	46,845
Play4Mary expenses	-	-	17,093	17,093
Miles for Mary expenses	-	-	13,082	13,082
Other event expenses	-	-	13,069	13,069
Public relations	-	2,709	-	2,709
Office expenses	-	643	-	643
Bank fees	-	597	-	597
Filing fees	-	75	-	75
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 255,367</u>	<u>\$ 4,024</u>	<u>\$ 90,089</u>	<u>\$ 349,480</u>

See Independent Accountants' Review Report.

See Accompanying Notes.

THE MARY RUCHALSKI FOUNDATION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

Change in Net Assets	<u>\$ (5,520)</u>
Changes in Assets and Liabilities:	
Decrease in inventory	4,235
Decrease in accrued expenses	<u>(1,000)</u>
Net Cash Provided by Operating Activities	<u>3,235</u>
Net Decrease in Cash	(2,285)
Cash - Beginning of Year	<u>38,660</u>
Cash - End of Year	<u><u>\$ 36,375</u></u>

See Independent Accountants' Review Report.  
See Accompanying Notes.

## THE MARY RUCHALSKI FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

## NOTE A - NATURE OF ACTIVITIES

The Mary Ruchalski Foundation, Inc. (the “Foundation”) is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation was formed and incorporated in 2018 under the laws of the State of New York. The Foundation’s primary purpose is to raise awareness of pediatric cancer, provide funding for pediatric cancer research, provide support for pediatric cancer patients and their families, and support educational and recreational organizations. The Foundation is governed by a board of directors comprised of the immediate family of Mary Ruchalski.

## NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958, *Not-for-Profit Entities*. Under ASC 958, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets, without donor restrictions and with donor restrictions. Accordingly, the 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. The Board of Directors may designate net assets without donor restrictions for specific purposes.
- Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure. There were no assets with donor restrictions at December 31, 2023.

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions, that is, when the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed, are reported as net assets released from restrictions.

It is the Foundation’s policy to record donor restricted contributions received and expended in the same accounting period as contributions with donor restrictions and as net assets released from restrictions.

THE MARY RUCHALSKI FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Basis of Accounting

The financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States.

3. Subsequent Events Evaluation by Management

The Foundation has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 14, 2024.

4. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. Public Support, Revenue and Expenses

The Foundation recognizes revenue in accordance with Accounting Standards Update (“ASU”) 2018-08, *Not-For-Profit Entities* (“Topic 958”): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. In accordance with ASU 2018-08, the Foundation evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred, or (2) a contribution.

If the transfer of assets is determined to be an exchange transaction, the Foundation applies guidance under the ASU No. 2014-09, *Revenue from Contracts with Customers* (“Topic 606”). The Foundation adopted Topic 606, as amended using the modified retrospective approach. The core principle under Topic 606 is that revenues are recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects to be entitled in exchange for those goods and services. Additionally, Topic 606 requires enhanced disclosures of revenue arrangements. Under the modified retrospective approach, the guidance is applied to the most current period presented, recognizing a cumulative effect of the adoption change as an adjustment to beginning net assets without donor restrictions. The Foundation has determined that there is no change to the timing of revenue recognition under Topic 606.

THE MARY RUCHALSKI FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Public Support, Revenue and Expenses (continued)

If the transfer of assets is determined to be a contribution, the Foundation evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must overcome before the Foundation is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. All contributions are considered to be without donor restrictions unless specifically restricted by the donor or subject to legal restrictions.

The Foundation records contributions in the with donor restriction class of net assets if they are received with donor stipulations that limit their use through either purpose or time restrictions or both. When donor restrictions expire – that is, when the purpose restriction is fulfilled, or when the time restriction expires – net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets realized from restrictions.

Contributions are recorded when cash or unconditional promises to give have been received or ownership of donated assets to be used directly in the operations is transferred to the Foundation.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

6. Inventories

Inventories are stated at the lower of cost or net realizable value; cost is determined on a first-in, first-out basis.

7. Methods Used for Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributable to one or more program or supporting function. Those expenses include public relations and office expenses.

# THE MARY RUCHALSKI FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### 8. Fair Value of Financial Instruments

ASC 825, Financial Instruments, requires disclosures about the fair value for all financial instruments, whether or not recognized, for financial statement purposes. Disclosures about fair value of financial instruments are based on pertinent information available to management as of December 31, 2023. Accordingly, the estimates presented in these statements are not necessarily indicative of the amounts that could be realized on disposition of the financial instruments.

Management estimates the fair value of inventory to approximate carrying value due to its short-term maturity.

#### 9. Accounting for Uncertainty in Income Taxes

The Foundation's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax.

The Foundation conforms to the provisions of FASB ASC 740, *Income Taxes*, related to accounting for uncertainty in income taxes. ASC 740 prescribes a recognition threshold and related measurement model for recognizing tax positions. For tax benefits to be recognized, a tax position must more likely than not be sustained upon examination by the taxing authorities. No adjustments have been required by the Foundation for uncertain tax positions. The Foundation's income tax returns subsequent to 2019 are currently subject to examination by the taxing authorities.

#### 10. Concentration of Credit Risk

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist of cash accounts in high credit quality financial institutions. From time to time, the cash balances exceed the Federal Deposit Insurance Corporation coverage limit.

During the year ended December 31, 2023, the Foundation received approximately 36% of its total revenue and support from the Hearts of Gold Gala fundraising event.

## THE MARY RUCHALSKI FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

## NOTE C – INVENTORY

Inventory at December 31, 2023 consists of the following:

Luminaria	<u>\$ 13,849</u>
Total Inventory	<u><u>\$ 13,849</u></u>

## NOTE D - LIQUIDITY

Financial assets available for general expenditure within one year are as follows as of December 31, 2023 and 2022:

Cash, including donor restrictions for program operations	\$ 36,375
Inventory	<u>13,849</u>
	<u><u>\$ 50,224</u></u>

As part of its liquidity management, the Foundation has a goal to maintain financial assets on hand to meet 60 days of normal operating expenses. The Foundation's goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.