THE V FOUNDATION

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

V FOUNDATION®
Victory Over Cancer

CONTENTS

BLACKMAN & SLOOP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The V Foundation

Opinion

We have audited the accompanying financial statements of The V Foundation (a nonprofit organization), which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities and changes in net assets, cash flows, and functional expenses 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 The V Foundation as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows, and functional expenses 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 The V Foundation, 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 these 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 The V Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

BLACKMAN & SLOOP, CPAS, P.A.

Phone/919.942.8700 • Fax/919.968.4766 • Toll Free/877.854.7530
The Exchange West at Meadowmont • 1414 Raleigh Road, Suite 300 • Chapel Hill, North Carolina 27517
www.b-scpa.com • email:cpa@b-scpa.com

Auditor's Responsibility for the Audit of the Financial Statements

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

Blackman & Sloop

Chapel Hill, North Carolina
February 15, 2024

THE V FOUNDATION

STATEMENTS OF FINANCIAL POSITION

EXHIBIT A

September 30, 2023 and 2022

ASSETS

	2023	2022
CURRENT ASSETS:		
Cash and cash equivalents	$ 30,710,288	$ 14,626,496
Investments	20,271,320	19,640,555
Accounts receivable	217,751	184,170
Accounts receivable - Don't Ever Give Up	681,273	286,128
Promises to give, net	2,125,237	4,393,297
Grants receivable	500,000	200,000
Prepaid expenses	253,475	173,055
TOTAL CURRENT ASSETS	54,759,344	39,503,701
PROPERTY AND EQUIPMENT, NET	1,635,492	1,669,440
OTHER ASSETS:		
Investments	40,228,009	36,136,418
Right of use asset - operating leases, net of amortization	141,449	-
Assets held under deferred compensation plan	51,710	85,529
Promises to give, net	1,676,189	2,277,191
Grants receivable, net	1,063,785	-
Intangible assets	50,000	50,000
TOTAL OTHER ASSETS	43,211,142	38,549,138
TOTAL ASSETS	$ 99,605,978	$ 79,722,279

LIABILITIES AND NET ASSETS

	2023	2022
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 178,547	$ 218,003
Accrued payroll and related liabilities	203,497	389,854
Due to Don't Ever Give Up	383,741	742,465
Deferred rent	-	5,760
Grants payable	24,751,031	18,616,051
Operating lease liability	68,238	-
TOTAL CURRENT LIABILITIES	25,585,054	19,972,133
LONG-TERM LIABILITIES:		
Deferred rent, noncurrent	-	3,160
Grants payable, net	23,021,963	9,828,885
Operating lease liability, noncurrent	75,199	-
TOTAL LONG-TERM LIABILITIES	23,097,162	9,832,045
TOTAL LIABILITIES	48,682,216	29,804,178
NET ASSETS:		
Without donor restrictions:		
Board designated	30,788,884	26,582,754
Undesignated	(238,776)	(1,861,388)
	30,550,108	24,721,366
With donor restrictions	20,373,654	25,196,735
TOTAL NET ASSETS	50,923,762	49,918,101
TOTAL LIABILITIES AND NET ASSETS	$ 99,605,978	$ 79,722,279

The accompanying Notes to Financial Statements are an integral part of these statements.

THE V FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended September 30, 2023 and 2022

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
OPERATING REVENUE:				
Contributions and gifts	$ 20,234,807	$ 24,997,604	$ 45,232,411	$ 36,624,612
Royalties	135,485	-	135,485	228,597
	20,370,292	24,997,604	45,367,896	36,853,209
Net assets released from restrictions	31,069,621	(31,069,621)	-	-
TOTAL OPERATING REVENUE	51,439,913	(6,072,017)	45,367,896	36,853,209
OPERATING EXPENSES:				
Program services	42,938,821	-	42,938,821	27,190,107
Supporting services:				
Management and general	3,382,105	-	3,382,105	2,683,601
Fundraising expenses	3,796,124	-	3,796,124	2,941,479
Total supporting services	7,178,229	-	7,178,229	5,625,080
TOTAL OPERATING EXPENSES	50,117,050	-	50,117,050	32,815,187
OPERATING REVENUE IN EXCESS OF OPERATING EXPENSES	1,322,863	(6,072,017)	(4,749,154)	4,038,022
NONOPERATING REVENUE (EXPENSES):				
Net investment income (loss)	4,409,171	1,445,767	5,854,938	(5,035,052)
Rental income	96,708	-	96,708	92,647
Loss from bad debts	-	(196,831)	(196,831)	(83,099)
TOTAL NONOPERATING REVENUE (EXPENSES)	4,505,879	1,248,936	5,754,815	(5,025,504)
CHANGES IN NET ASSETS	5,828,742	(4,823,081)	1,005,661	(987,482)
NET ASSETS - BEGINNING OF YEAR	24,721,366	25,196,735	49,918,101	50,905,583
NET ASSETS - END OF YEAR	$ 30,550,108	$ 20,373,654	$ 50,923,762	$ 49,918,101

THE V FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended September 30, 2023 and 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Totals
OPERATING REVENUE:			
Contributions and gifts	$ 15,222,069	$ 21,402,543	$ 36,624,612
Royalties	228,597	-	228,597
	15,450,666	21,402,543	36,853,209
Net assets released from restrictions	14,439,842	(14,439,842)	-
TOTAL OPERATING REVENUE	29,890,508	6,962,701	36,853,209
OPERATING EXPENSES:			
Program services	27,190,107	-	27,190,107
Supporting services:			
Management and general	2,683,601	-	2,683,601
Fundraising expenses	2,941,479	-	2,941,479
Total supporting services	5,625,080	-	5,625,080
TOTAL OPERATING EXPENSES	32,815,187	-	32,815,187
OPERATING EXPENSES IN EXCESS OF OPERATING REVENUE	(2,924,679)	6,962,701	4,038,022
NONOPERATING (EXPENSES) REVENUE:			
Net investment income	(4,089,035)	(946,017)	(5,035,052)
Rental Income	92,647	-	92,647
Loss from bad debts	(2,856)	(80,243)	(83,099)
TOTAL NONOPERATING EXPENSES	(3,999,244)	(1,026,260)	(5,025,504)
CHANGES IN NET ASSETS	(6,923,923)	5,936,441	(987,482)
NET ASSETS - BEGINNING OF YEAR	31,645,289	19,260,294	50,905,583
NET ASSETS - END OF YEAR	$ 24,721,366	$ 25,196,735	$ 49,918,101

The accompanying Notes to Financial Statements are an integral part of these statements.

THE V FOUNDATION

STATEMENTS OF CASH FLOWS

EXHIBIT C

For the Years Ended September 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ 1,005,661	$ (987,482)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	106,513	109,778
Unrealized (gain) loss on investments	(3,794,076)	6,118,176
Realized loss on investments	2,170	159,558
Change in allowance on uncollectible promises to give	(138,908)	23,663
Change in discount on promises to give	(22,916)	84,019
Change in discount on grants receivable	136,215	-
Increase (decrease) in cash arising from changes in assets and liabilities:		
Accounts receivable	(33,582)	47,351
Accounts receivable - Don't Ever Give Up	(395,145)	(108,216)
Promises to give	3,030,887	(1,013,362)
Grants receivable	(1,500,000)	300,000
Prepaid expenses	(80,420)	7,519
Assets held under deferred compensation plan	33,819	105,267
Operating leases, assets and liabilities	1,988	-
Accounts payable and accrued expenses	(39,456)	183,021
Accrued payroll and related liabilities	(186,357)	139,416
Due to Don't Ever Give Up	(358,724)	123,613
Deferred rent	(8,920)	(2,026)
Grants payable, net	19,328,058	2,590,143
Funds held for others	-	(200,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	17,086,807	7,680,438
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(72,565)	(97,746)
Purchases of investments	(5,651,517)	(67,398,848)
Sales of investments	4,710,409	47,991,762
NET CASH USED IN INVESTING ACTIVITIES	(1,013,673)	(19,504,832)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	16,073,134	(11,824,394)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	14,626,496	26,450,890
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 30,699,630	$ 14,626,496
SUPPLEMENTAL DISCLOSURE:		
Noncash contributions:		
Donated securities	$ 1,944,615	$ 2,255,517

The accompanying Notes to Financial Statements are an integral part of these statements.

THE V FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Years Ended September 30, 2023 and 2022

	2023				2022
	Program Services	Management and General	Fundraising	Totals	Totals
Grant expense	$ 41,678,096	$ -	$ -	$ 41,678,096	$ 26,338,141
Salaries	772,371	1,259,409	1,619,195	3,650,975	3,077,885
Advertising	14,454	522,652	502,627	1,039,733	404,689
Employee benefits	146,854	267,513	312,522	726,889	597,218
Professional fees	7,780	295,419	366,752	669,951	501,949
Postage and shipping	664	78,468	399,598	478,730	355,028
Computer maintenance	54,244	284,221	79,690	418,155	360,100
Bank service charges	-	237,578	79,193	316,771	325,105
Travel related expenses	57,479	77,554	157,244	292,277	228,023
Payroll taxes	51,270	88,391	119,112	258,773	204,701
Bad debt expense	-	147,623	49,208	196,831	83,099
Occupancy expenses	19,516	103,994	33,376	156,886	110,104
Depreciation	13,846	69,500	23,167	106,513	109,778
V Scholar summit	80,054	-	-	80,054	65,009
Direct fundraising expenses	2,278	18,014	56,174	76,466	35,405
Miscellaneous	15,854	27,418	14,351	57,623	52,100
Insurance	-	38,249	12,750	50,999	50,284
Scientific advisory board expenses	23,571	-	-	23,571	33,662
Sales tax (refunds)	142	5,469	13,575	19,186	(39,075)
Office supplies	348	8,256	6,798	15,402	5,081
	42,938,821	3,529,728	3,845,332	50,313,881	32,898,286
Less bad debt expense	-	(147,623)	(49,208)	(196,831)	(83,099)
Total operating expenses	$ 42,938,821	$ 3,382,105	$ 3,796,124	$ 50,117,050	$ 32,815,187

THE V FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Years Ended September 30, 2023 and 2022

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	2022			
	Program Services	Management and General	Fundraising	Totals
Grant expense	$ 26,338,141	$ -	$ -	$ 26,338,141
Salaries	532,782	1,111,980	1,433,123	3,077,885
Advertising	-	231,340	173,349	404,689
Employee benefits	102,693	229,513	265,012	597,218
Professional fees	-	244,950	256,999	501,949
Postage and shipping	46	57,686	297,296	355,028
Computer maintenance	23,309	250,319	86,472	360,100
Bank service charges	14	243,604	81,487	325,105
Travel related expenses	22,003	75,384	130,636	228,023
Payroll taxes	36,963	70,066	97,672	204,701
Bad debt expense	-	83,099	-	83,099
Occupancy expenses	12,112	73,494	24,498	110,104
Depreciation	12,075	73,277	24,426	109,778
V Scholar summit	65,009	-	-	65,009
Direct fundraising expenses	-	-	35,405	35,405
Miscellaneous	10,515	21,921	19,664	52,100
Insurance	-	37,713	12,571	50,284
Scientific advisory board expenses	33,662	-	-	33,662
Sales tax (refunds)	671	(40,453)	707	(39,075)
Office supplies	112	2,807	2,162	5,081
	27,190,107	2,766,700	2,941,479	32,898,286
Less bad debt expense	-	(83,099)	-	(83,099)
Total operating expenses	$ 27,190,107	$ 2,683,601	$ 2,941,479	$ 32,815,187

The accompanying Notes to Financial Statements are an integral part of these statements.

THE V FOUNDATION

NOTES TO FINANCIAL STATEMENTS

NATURE OF ACTIVITIES

The V Foundation (the "Foundation") was incorporated on February 12, 1993, as a nonprofit charitable organization dedicated to saving lives by helping to find a cure for cancer. The Foundation's mission is to fund game-changing research and all-star scientists to accelerate victory over cancer and save lives. The Foundation accomplishes its mission through advocacy, education, fundraising, and philanthropy.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

A. Basis of Accounting.

The Foundation's financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require the use of certain estimates made by the Foundation's management. Accordingly, revenues and support are recognized when earned, and expenses are recognized when the obligation is incurred.

The Foundation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

B. Cash and Cash Equivalents.

Cash and cash equivalents consist of monies on deposit at financial institutions and other highly liquid investments with original maturities of three months or less excluding monies maintained in the endowment investment fund. At times, the Foundation places deposits with high-quality financial institutions that may be in excess of federally insured amounts. The Foundation has not experienced any financial loss related to such deposits.

C. Accounts Receivable.

Accounts receivable are carried at their net realizable value. The Foundation provides an allowance for doubtful accounts equal to the estimated losses that are expected to be incurred in their collection. The allowance is based on historical collection experience and a review by management of the current status of the existing receivables. As of September 30, 2023 and 2022, all accounts receivable were deemed collectible by management.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

D. Promises to Give and Grants Receivable.

Unconditional promises to give and grants receivable are recognized as support and assets in the period received. Unconditional promises to give and grants receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give and grants receivable that are expected to be collected in future years are initially recorded using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities and changes in net assets. The Foundation provides an allowance for doubtful accounts equal to the estimated losses that are expected to be incurred in their collection. The allowance is based on historical collection experience and a review by management of the current status of the existing promises to give and grants receivable.

E. Property and Equipment.

Property and equipment are stated at cost for purchased assets and at fair value on the date of the gift for donated assets. Property and equipment are capitalized if the life is expected to be greater than one year and if the cost exceeds $1,000. Depreciation is calculated using the straight-line method over estimated useful lives of the assets, which range from three to thirty-nine years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities and changes in net assets. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Foundation reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as support with donor restrictions.

The Foundation reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying values exceed the fair value of the asset. There were no indicators of asset impairment during the years ended September 30, 2023 and 2022.

F. Investments.

Investments in marketable securities and non-publicly traded companies are stated at fair value based on readily available published values. Donated securities are recorded at their fair value at the date of gift. Net investment return/(loss) is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

G. Intangible Assets.

Intangible assets are capitalized and stated at cost in accordance with U.S. GAAP. The assets have indefinite lives and are reviewed annually for impairment. Management assessed the assets, and there were no indicators of asset impairment during the years ended September 30, 2023 and 2022.

H. Revenue Recognition.

The Foundation is primarily funded by individuals and non-governmental grants and contributions. These grants and contributions are recognized when cash, securities or other assets, an unconditional promise to give, a grant award letter, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. There are no conditional promises to give at September 30, 2023 and 2022.

Revenue from contracts which are deemed to be exchange transactions are recognized as revenue without donor restrictions as performance obligations are completed either over time or at a point in time. Deferred revenue from exchange transactions results when cash receipts exceed revenue recognized.

I. Grant Expense.

Grant expense and the corresponding grants payable are recognized in the period the grant is approved, provided the grant is not subject to significant future conditions. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments.

J. Advertising.

The Foundation expenses advertising costs as incurred. Advertising expense totaled $1,039,733 and $404,689, for the years ended September 30, 2023 and 2022, respectively.

K. Net Assets.

Net assets and operating revenue are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions. These resources include amounts generated from operations, undesignated gifts, and investments in property and equipment.

THE V FOUNDATION

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

K. Net Assets (continued).

Net Assets With Donor Restrictions - Net assets subject to donor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

L. Leases.

The Foundation determines if an arrangement is a lease at inception and reassesses if there are changes in terms and conditions of the contract. Operating leases are included in right-of-use assets - operating leases, and operating lease liabilities on the statements of financial position. Lease assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Foundation’s leases do not provide an implicit rate, the Foundation uses a risk free rate based on the information available at the commencement date in determining the present value of future payments. Lease assets also include any lease payments made before lease commencement and initial direct costs and reduced for any lease incentives. In determining the lease term at lease commencement, the Foundation includes the noncancellable term and the periods which the Foundation deems it is reasonably certain to exercise or not to exercise a renewal or cancellation option. Operating lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

M. Income Taxes.

The Foundation is an exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private foundation. The entity is required to annually file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. It is also exempt from North Carolina income and franchise taxes under the North Carolina Non-Profit Corporation Act. If applicable, penalties and interest assessed by income taxing authorities related to uncertain tax positions are included as miscellaneous expenses in the statements of activities and changes in net assets.

N. Estimates.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates, and those differences could be material.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

O. New Accounting Principle.

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840*, Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statements of financial position for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities and changes in net assets.

The new standard was effective October 1, 2022. The Foundation adopted this ASU using the effective date transition method. The Foundation elected the following practical expedients upon transition: 1) no need to reassess whether any expired or existing contracts are or contain leases, 2) no need to reassess the lease classification for any expired or existing leases, and 3) no need to reassess initial direct costs for any existing leases.

P. Consideration of Future Accounting Principle Changes.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments – Credit Losses*. The standard requires credit impairment to be recognized as an allowance for credit losses, rather than as a direct write-down of the financial asset. This standard will be effective for the year ending September 30, 2024. The Foundation is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

THE V FOUNDATION

NOTES TO FINANCIAL STATEMENTS

LIQUIDITY AND AVAILABILITY

The following represents the Foundation's current financial assets at September 30:

	2023	2022
Liquid current financial assets:		
Cash and cash equivalents	$ 30,710,288	$ 14,626,496
Investments	20,271,320	19,640,555
Accounts receivable	217,751	184,170
Accounts receivable - Don't Ever Give Up	681,273	286,128
Promises to give, net	2,125,237	4,393,297
Grants receivable	500,000	200,000
	54,505,869	39,330,646
Less amounts unavailable for general expenditures within one year, due to:		
Restrictions by donors - time and specific cancer research	(3,896,518)	(4,731,663)
Designated for general research	(50,166,800)	(31,882,118)
	(54,063,318)	(36,613,781)
Financial assets available to meet cash needs for general expenditures within one year	$ 442,551	$ 2,716,865

The Foundation's programs are supported by contributions with and without donor restrictions. Donors include corporations, foundations, and individuals. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part of the Foundation's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management feels there are sufficient assets available for general expenditure.

In addition to having financial assets available to meet general expenditures over the next twelve months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue during the year to cover general expenditures.

The Foundation has $30,788,884 and $26,582,874, at September 30, 2023 and 2022, respectively, of net assets the board has designated for operations of the Foundation. Board-designated net assets are invested for long-term appreciation and current income but remain available and may be spent on general expenditures at the discretion of the Board.

PROMISES TO GIVE

Promises to give consist of the following at September 30:

	2023	2022
Receivable in less than one year	$ 2,216,697	$ 4,571,129
Receivable in one to five years	1,950,716	2,627,170
Total gross promises to give	4,167,413	7,198,299
Discount at a rate of 5.0% and 3.6%, respectively	(166,991)	(189,907)
Allowance for uncollectible promises to give	(198,996)	(337,904)
Net present value of promises to give	$ 3,801,426	$ 6,670,488

The Foundation has been named in a number of wills as a beneficiary and has also been informed of other intentions to give. Such intentions to give are not recorded as promises to give until they become unconditional. The Foundation has also been informed of intentions to give through donor advised funds. In accordance with U.S. GAAP, these funds will be recognized when received.

GRANTS RECEIVABLE

Grants receivable consist of the following at September 30:

	2023	2022
Receivable in less than one year	$ 500,000	$ 200,000
Receivable in one to five years	1,200,000	-
Total gross grants receivable	1,700,000	200,000
Discount at a rate of 5.0% and 3.6%, respectively	(136,215)	-
Net present value of grants receivable	$ 1,563,785	$ 200,000

PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	2023	2022
Building	$ 1,865,502	$ 1,865,502
Software and website	292,328	266,450
Furniture and fixtures	92,870	92,870
Office equipment	127,281	80,594
Leasehold improvements	15,000	15,000
	2,392,981	2,320,416
Accumulated depreciation	(757,489)	(650,976)
Net property and equipment	$ 1,635,492	$ 1,669,440

FAIR VALUE OF ASSETS

U.S. GAAP defines fair value as 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. It also establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Foundation. Unobservable inputs reflect the Foundation's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets as of the reporting date.

Level 2 - Valuations based on inputs other than quoted prices, which are either directly or indirectly observable as of the reporting date, are valued at prices for similar assets or liabilities in markets not active, or determined through the use of models or other valuation methodologies.

Level 3 - Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances. In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The Foundation's investments are classified as Level 1 and Level 2.

There were no changes during the years ending September 30, 2023 and 2022, to the Foundation's valuation techniques used to measure asset values on a recurring basis.

The following table summarizes the assets of the Foundation for which fair values are determined on a recurring basis as of September 30, 2023. As required by U.S. GAAP, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

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NOTES TO FINANCIAL STATEMENTS

FAIR VALUE OF ASSETS (CONTINUED)

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Money market funds	$ -	$ 1,364,956	$ -	$ 1,364,956
Equity mutual funds	20,647,561	-	-	20,647,561
Corporate debt securities	7,214,011	-	-	7,214,011
Corporate bonds	-	11,130,803	-	11,130,803
US Treasury bonds	-	11,765,971	-	11,765,971
Total investments at fair value:	27,861,572	24,261,730	-	52,123,302
Assets held under deferred compensation plan:				
Equity mutual funds	51,710	-	-	51,710
	$ 27,913,282	$ 24,261,730	$ -	$ 52,175,012

The fair value table does not include alternative investments measured using net asset value per share as a practical expedient totaling $8,376,027.

The following table summarizes the assets of the Foundation for which fair values are determined on a recurring basis as of September 30, 2022. As required by U.S. GAAP, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Money market funds	$ -	$ 1,450,255	$ -	$ 1,450,255
Equity mutual funds	18,318,315	-	-	18,318,315
Corporate debt securities	9,188,364	-	-	9,188,364
Corporate bonds	-	13,062,901	-	13,062,901
US Treasury bonds	-	6,287,509	-	6,287,509
Total investments at fair value:	27,506,679	20,800,665	-	48,307,344
Assets held under deferred compensation plan:				
Equity mutual funds	85,529	-	-	85,529
	$ 27,592,208	$ 20,800,665	$ -	$ 48,392,873

The fair value table does not include alternative investments measured using net asset value per share as a practical expedient totaling $7,469,629.

FAIR VALUE OF ASSETS (CONTINUED)

Net Asset Value

The Foundation's investments valued at net asset value consist of:

The Foundation's investments include $23,925 and $39,573, at September 30, 2023 and 2022, respectively, of investments in a fund that invests substantially all of its assets in privately negotiated mezzanine investment funds. The fair value of the investments in this class has been estimated using the net asset value per share of the investments. The fund consists of private equity, long term, illiquid investments. The fund does not offer any liquidity; therefore, there is no redemption frequency or redemption fees.

The Foundation's investments include $165,380 and $$249,799, at September 30, 2023 and 2022, respectively, of investments in a fund that invests substantially all of its assets in secondary opportunities to acquire private investment funds on a global basis, with a focus on the United States and Western Europe. The fund seeks capital appreciation primarily through the purchase of secondary interests in mature, high-quality leveraged buyout funds. The fair value of the investments in this fund has been estimated using the underlying portfolio investments as provided by the underlying funds' general partners or managers, adjusted dollar-for-dollar for subsequent capital contributions to, and distributions received from, the underlying funds. Interests in the fund are ill-liquid, and the term period is ten years from the final closing, subject to four one-year extensions. The fund does not offer any liquidity; therefore, there is no redemption frequency or redemption fees.

The Foundation's investments include $533,410 and $564,190, at September 30, 2023 and 2022, respectively, of investments in a fund that invests substantially all of its assets in global private equities in medium-to-large industry leading businesses and equity investments in secular growth areas with structural downside protection, limited leverage and low concept or technology risk in the United States, Canada, Europe, and Israel. The fair value of the investments in this class has been estimated using the net asset value per share of the investments. Interests in the fund are ill-liquid and the term period is one year after the termination of the underlying fund.

The Foundation's investments include $233,828 and $239,724, at September 30, 2023 and 2022, respectively, of investments in a fund that invests substantially all of its assets in commercial real estate loan portfolios, direct real estate and commercial real estate companies in Europe, North America, and Japan. The fair value of the investments in this class has been estimated using the net asset value per share of the investments.

The Foundation's investments include $2,224,006 and $2,093,279, at September 30, 2023 and 2022, respectively, of investments in funds that include equities, fixed-income securities, commodities, interest rate swaps, derivatives, and currency contracts. The fair value of the investments in this class has been estimated using the net asset value per share of the investments.

The Foundation's investments include $1,380,476 and $1,301,610, at September 30, 2023 and 2022, respectively, of investments in a fund that invests principally in traditional secondaries, non-traditional secondaries, and other opportunistic investments both domestically and internationally across all sectors of the private equity market. The fair value of the investments in this class has been estimated using the net asset value per share of the investments.

FAIR VALUE OF ASSETS (CONTINUED)

The Foundation's investments include $1,628,968 and $1,158,866, at September 30, 2023 and 2022, respectively, of investments in funds that invest principally in pooled investment vehicles purchased from the existing owners of such pooled vehicles and not the issuers of such investments or transactions structured to share many of the characteristics and economics of such purchases both domestically and internationally across all sectors of the private equity market. The fair value of the investments in this class has been estimated using the net asset value per share of the investments.

The Foundation's investments include $2,186,034 and $1,822,588, at September 30, 2023 and 2022, respectively, of investments in funds that invest principally in pooled investment vehicles via capital commitments to the issuers of such investments both domestically and internationally across all sectors of the private equity market. The fair value of the investments in this class has been estimated using the net asset value per share of the investments.

ENDOWMENT

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA), as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument. Donor-restricted amounts not maintained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

1. The duration and preservation of the fund,
2. The purposes of the Foundation and the donor-restricted endowment fund,
3. General economic conditions,
4. The possible effect of inflation and deflation,
5. The expected total return from income and the appreciation of investments,
6. Other resources of the Foundation, and
7. The investment policies of the Foundation.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) and board designated funds. The Foundation expects its endowment fund, over time, to provide an average rate of return of approximately 6% in perpetuity. Actual returns in any given year may vary from this amount.

ENDOWMENT (CONTINUED)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints as managed by the Foundation's Endowment Committee.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating investment earnings for distribution each year based upon the prior year's investment earnings of the related endowment. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at a moderate rate. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that SPMIFA requires to retain as a fund of perpetual duration. As of September 30, 2023 and 2022, the endowment fund was above the required amounts.

Changes in the endowment fund consist of the following during the year ended September 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	$ 26,582,754	$ 12,140,432	$ 38,723,186
Investment income	570,117	293,365	863,482
Net appreciation (realized and unrealized)	2,361,397	1,215,104	3,576,501
Contributions	1,396,470	-	1,396,470
Appropriation of assets for expenditure	-	(1,158,129)	(1,158,129)
Investment fees	(121,854)	(62,703)	(184,557)
Net assets, end of year	$ 30,788,884	$ 12,428,069	$ 43,216,953

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NOTES TO FINANCIAL STATEMENTS

ENDOWMENT (CONTINUED)

The endowment net asset composition by type of fund as of September 30, 2023, was as follows:

	Without Donor Restrictions	Donor Restricted for Time or Purpose	Donor Restricted in Perpetuity	Total
Donor-restricted	$ -	$ 287,637	$ 12,140,432	$ 12,428,069
Board-designated	30,788,884	-	-	30,788,884
Total funds	$ 30,788,884	$ 287,637	$ 12,140,432	$ 43,216,953

Changes in the endowment fund consist of the following during the year ended September 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	$ 31,774,055	$ 12,140,725	$ 43,914,780
Investment income	984,943	250,533	1,235,476
Net depreciation (realized and unrealized)	(4,547,544)	(1,156,725)	(5,704,269)
Contributions	1,630,419	-	1,630,419
Appropriation of assets for expenditure	(2,156,838)	-	(2,156,838)
Transfers	(945,722)	945,722	
Investment fees	(156,559)	(39,823)	(196,382)
Net assets, end of year	$ 26,582,754	$ 12,140,432	$ 38,723,186

The endowment net asset composition by type of fund as of September 30, 2022, was as follows:

	Without Donor Restrictions	Donor Restricted for Time or Purpose	Donor Restricted in Perpetuity	Total
Donor-restricted	$ -	$ -	$ 12,140,432	$ 12,140,432
Board-designated	26,582,754	-	-	26,582,754
Total funds	$ 26,582,754	$ -	$ 12,140,432	$ 38,723,186

GRANTS PAYABLE

Grants payable at September 30, 2023, is expected to be paid according to the following schedule:

Year Ending September 30,	
2024	$ 24,751,010
2025	15,520,000
2026	6,800,000
2027	2,400,000
Total gross grants payable	49,471,010
Discount at a rate of 5%	(1,698,037)
Net present value of grants payable	$ 47,772,973

RIGHT OF USE ASSET AND OPERATING LEASE LIABILITY

The Foundation leases office facilities and equipment at various terms under long-term non-cancelable operating lease agreements. The leases expire at various dates through 2028 and provide for renewal options. The Foundation includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The operating lease agreements requires payment of taxes, insurance, and repairs. The right of use asset totaled $141,449 at September 30, 2023. The operating lease liability totaled $143,437 at September 30, 2023. Operating lease costs recognized totaled $101,689 for the year ended September 30, 2023.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Foundation has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The risk-free rate option was applied to the office facilities and equipment leases. The weighted-average remaining lease term is 2.7 years and the weighted-average discount rate is 4.00%.

The Foundation has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

RIGHT OF USE ASSET AND OPERATING LEASE LIABILITY (CONTINUED)

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of September 30, 2023:

Year Ending September 30,	Operating
2024	$ 72,121
2025	35,007
2026	27,937
2027	13,796
2028	2,148
Thereafter	-
Total future minimum lease payments	151,009
Less present value discount	(7,572)
Total lease liability	$ 143,437

The following table summarizes the supplemental cash flow information for the year ended September 30, 2023:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	$ 102,827
Right-of-use assets obtained in exchange for lease liabilities	
Operating leases	$ 238,749

In May 2023, the Foundation entered into a short term lease for technology services and recognized $10,000 in technology expenses during the year ended September 30, 2023 relating to this lease.

In February 2019, the Foundation subleased the office space in California to tenants under a noncancelable operating lease. The agreement expires in April 2024, and required monthly payments of $4,900 in year one, and increases annually over the life of the lease. Rental income totaled $96,708 and $92,647, for the years ended September 30, 2023 and 2022, respectively.

Future minimum rental income under the lease agreement as of September 30, 2023, totaled $37,114 in fiscal year ending September 30, 2024.

NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at September 30:

	2023	2022
Purpose restriction:		
Various cancer programs	$ 2,219,874	$ 6,586,316
Kay Yow Foundation	138,578	388,600
Tamar Goodfellow Fund	113,716	112,716
Richard F. Jones Memorial Fund	77,394	77,395
Garry Betty Foundation	18,132	18,132
	2,567,694	7,183,159
Time restriction:		
General	5,665,528	5,873,144
Held in perpetuity	12,140,432	12,140,432
Total net assets with donor restrictions	$ 20,373,654	$ 25,196,735

NET ASSETS RELEASED FROM RESTRICTION

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. The amounts released during the years ended September 30, 2023 and 2022, were as follows:

	2023	2022
Purpose restriction:		
Various cancer programs	$ 26,966,345	$ 12,403,340
Kay Yow Foundation	350,000	100,022
	27,316,345	12,503,362
Time restriction:		
General	3,753,276	1,936,480
Total net assets with donor restrictions released from restriction	$ 31,069,621	$ 14,439,842

REVENUE FROM CONTRACTS WITH CUSTOMERS

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in the revenue standard. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Foundation's contracts have obligations that are fulfilled at a single point in time.

Performance Obligations Satisfied at a Point in Time

The Foundation's intellectual property is used to promote the sale of products. Royalty income is recognized when the products are sold.

Total revenue recognized for performance obligations completed at a point in time at September 30, 2023 and 2022, totaled $135,485 and $228,597, respectively. There was no deferred revenue or accounts receivable associated with this revenue.

General

Revenue from contracts with customers will vary from year to year depending on the amount of product attributed to the intellectual property that is sold.

CONTRIBUTED NONFINANCIAL ASSETS

The Foundation recognizes contributed services that create or enhance non-financial assets or that require specialized skills, and would typically need to be purchased if not provided by donation. No services meeting these requirements for recognition in the financial statements were received during the year ended September 30, 2023 and 2022. During the years ended September 30, 2023 and 2022, an organization donated advertising above and beyond what the Foundation would have normally purchased. As this does not meet U.S. GAAP recognition criteria, this donation is not reflected in the financial statements.

A number of persons have donated a significant amount of time and services to the Foundation's operations, and the Foundation's officers and board of directors serve without compensation. The financial statements also do not reflect the value of these contributed services as they do not meet recognition criteria prescribed by U.S. GAAP.

RETIREMENT PLAN

The Foundation sponsors a 401(k) plan whereby employees are eligible for coverage after 90 days of service. Employees are vested immediately in their contributions plus actual earnings thereon. The Foundation matches 100% of employee contributions up to 3% of each participating employee's compensation, and 50% of the next 2% of each participating employee's compensation. As these are safe harbor contributions, employees are vested immediately in these contributions plus actual earnings thereon. The expense was $108,978 and $95,082, for the years ended September 30, 2023 and 2022, respectively. Additionally, the Foundation can make other matching contributions to employees. Vesting in the Foundation's other matching contributions plus actual earnings thereon is based on years of continuous service. A participant is 20% vested after two years of credited service and vests an additional 20% per year thereafter. After six years of credited service, participants are vested 100% in employer contributions. The Foundation did not make any other matching contributions for the years ended September 30, 2023 and 2022.

On January 1, 2018, the Foundation established a non-qualified deferred compensation plan covering key employees of the Foundation and its supporting organization, Don't Ever Give Up, Inc., which provides for payments upon termination of service, retirement, death, or disability. Participants 100% vest at the later of 5 years of service or termination of employment. The amount in the plan totaled $51,710 and $85,529, at September 30, 2023 and 2022, respectively. This is shown as assets held under deferred compensation plan, and is included in accrued payroll and related liabilities on the statements of financial position.

RELATED PARTY TRANSACTIONS

Members of the Board of Directors and management of the Foundation make contributions for the support of general operations and the Foundation's programs. The Foundation received contributions from related parties totaling $3,746,260 and $1,145,859, at September 30, 2023 and 2022, respectively. The Foundation had outstanding related party promises to give and grants receivable totaling $1,164,629 and $3,311,567, at September 30, 2023 and 2022, respectively.

The Foundation assisted in the establishment of The V Foundation Canada/La Foundation V ("La Foundation V"), a Canadian nonprofit organization, whose goals and objectives are identical to those of The V Foundation. The Foundation is related to La Foundation V through common control through the Board of Directors.

SUPPORTING ORGANIZATION

Effective September 21, 2015, a supporting organization, Don't Ever Give Up, Inc. ("Organization") was formed for the purpose of supporting and/or benefitting The V Foundation and to help carry out the purpose of The V Foundation. The managing and coordinating of all special events of the Foundation were transferred to the Organization during the year ended September 30, 2016. Monies raised by the Organization are granted to the Foundation.

The Foundation recognized $20,000,000 and $12,000,000, in contributions from the Organization for the years ended September 30, 2023 and 2022, respectively. The Organization reimbursed the Foundation for shared costs including facilities, personnel, and administrative expenses totaling $2,934,689 and $1,961,544, for the years ended September 30, 2023 and 2022, respectively. The Organization owed the Foundation $681,273 and $286,128, at September 30, 2023 and 2022, respectively, for grants and shared costs. The Foundation owed the Organization $383,741 and $742,465, at September 30, 2023 and 2022, respectively.

CONCENTRATIONS

Promises to give are from individuals throughout the United States and abroad. A substantial portion of the Foundation's support and revenue is derived from donor promises to give and grants awarded to the Foundation.

Three donors represent approximately 38% and 46% of the outstanding gross promises to give at September 30, 2023 and 2022, respectively.

One grantor represents approximately 88% and 100% of outstanding gross grants receivable at September 30, 2023 and 2022, respectively.

Three customers represent approximately 36% and one customer represents approximately 31% of accounts receivable for the years ended September 30, 2023 and 2022, respectively.

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NOTES TO FINANCIAL STATEMENTS

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Therefore, some expenses require allocation on a reasonable basis that is consistently applied. Accordingly, certain indirect costs have been allocated between the programs and supporting services benefited based on management's estimates.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and effort
Employee benefits	Time and effort
Printing and copying	Time and effort
Professional fees	Time and effort
Travel related expense	Time and effort
Computer maintenance	Time and effort
Bank service charges	Time and effort
Payroll taxes	Time and effort
Advertising	Time and effort
Postage and shipping	Time and effort
Occupancy expenses	Full-Time Equivalent
Depreciation	Full-Time Equivalent
Miscellaneous	Time and effort
Sales tax	Time and effort
Board expenses	Time and effort
Insurance	Time and effort
Office supplies	Time and effort

RECLASSIFICATIONS

Certain reclassifications have been made to the 2022 financial statements in order to conform to 2023 presentation. Such reclassifications had no effect on net assets.

SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition or disclosure through February 15, 2024, the date the financial statements were available to be issued. Management did not identify any events that occurred subsequent to year-end that require disclosure in the financial statements.