



AUDITED FINANCIAL STATEMENTS
December 31, 2024 and 2023

ESOPHAGEAL CANCER ACTION NETWORK, INC.

C O N T E N T S

INDEPENDENT AUDITOR'S REPORT	3
-------------------------------------	----------

FINANCIAL STATEMENTS

Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8

Notes to Financial Statements	9 - 14
-------------------------------	--------



JBS & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Esophageal Cancer Action Network, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Esophageal Cancer Action Network, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2024 and 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Esophageal Cancer Action Network, Inc. as of December 31, 2024, 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Esophageal Cancer Action Network, Inc. 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 Esophageal Cancer Action Network, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Esophageal Cancer Action Network, Inc.'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 Esophageal Cancer Action Network, Inc.'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.

Handwritten signature in black ink that reads "JBS Company, LLC". The signature is written in a cursive, stylized font.

Stevensville, Maryland
October 15, 2025

ESOPHAGEAL CANCER ACTION NETWORK, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 230,727	\$ 354,854
Accounts receivable	-	3,770
Inventory	20,330	19,406
Total current assets	251,057	378,030
PROPERTY AND EQUIPMENT, at cost		
Furniture and equipment	12,279	12,279
Computer equipment	7,089	7,089
Accumulated depreciation	(17,386)	(15,023)
Total property and equipment	1,982	4,345
OTHER ASSETS		
Security deposits	1,125	1,125
TOTAL ASSETS	\$ 254,164	\$ 383,500
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 32,248	\$ 45,877
Current portion of notes payable	1,015	3,077
Total current liabilities	33,263	48,954
NON-CURRENT LIABILITIES		
Notes payable, net of current portion	148,985	146,923
NET ASSETS		
Without donor restrictions	64,216	179,923
With donor restrictions	7,700	7,700
Total net assets	71,916	187,623
TOTAL LIABILITIES AND NET ASSETS	\$ 254,164	\$ 383,500

The accompanying notes are an integral part of these statements

ESOPHAGEAL CANCER ACTION NETWORK, INC.
STATEMENTS OF ACTIVITIES
For the years ended December 31, 2024 and 2023

	December 31, 2024			December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Contributions and donations	\$ 323,085	\$ -	\$ 323,085	\$ 205,595	\$ -	\$ 205,595
Grants	191,950	-	191,950	121,000	-	121,000
Special events, net of expenses	84,210	-	84,210	126,576	-	126,576
Interest income	3,734	-	3,734	839	-	839
Other revenues	15,553	-	15,553	25,987	-	25,987
Net assets released from restrictions (See "Note 3" in the Financial Statements)	-	-	-	27,000	(27,000)	-
Total revenue and support	618,532	-	618,532	506,997	(27,000)	479,997
EXPENSES						
Program services	570,454	-	570,454	521,459	-	521,459
Management and general	68,902	-	68,902	70,663	-	70,663
Fundraising	94,883	-	94,883	93,503	-	93,503
Total expenses	734,239	-	734,239	685,625	-	685,625
Change in net assets	(115,707)	-	(115,707)	(178,628)	(27,000)	(205,628)
NET ASSETS, beginning of year	179,923	7,700	187,623	358,551	34,700	393,251
NET ASSETS, end of year	\$ 64,216	\$ 7,700	\$ 71,916	\$ 179,923	\$ 7,700	\$ 187,623

The accompanying notes are an integral part of these statements

ESOPHAGEAL CANCER ACTION NETWORK, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>
Bank fees	\$ 1,884	\$ 1,884	\$ 1,884	\$ 5,652
Depreciation	-	2,363	-	2,363
Events and conferences	929	-	14,252	15,181
Insurance	23,512	1,290	1,290	26,092
Interest	-	7,692	-	7,692
Marketing	13,564	-	13,564	27,128
Merchandise	560	-	560	1,120
Miscellaneous	3,256	-	3,256	6,512
Office supplies	935	117	117	1,169
Payroll taxes	20,982	3,497	3,497	27,976
Postage and shipping	2,839	473	473	3,785
Printing	646	108	108	862
Professional fees	121,061	-	16,055	137,116
Public awareness	67,164	-	-	67,164
Rent	27,321	4,553	4,553	36,427
Repairs and maintenance	-	107	-	107
Salaries	275,368	45,895	45,895	367,158
Telephone	4,097	683	683	5,463
Travel	271	-	-	271
Volunteer appreciation	2,228	-	2,228	4,456
Website and technology	3,837	240	720	4,797
	<u>570,454</u>	<u>68,902</u>	<u>109,135</u>	<u>748,491</u>
Less direct expenses for special events	-	-	(14,252)	(14,252)
	<u>\$ 570,454</u>	<u>\$ 68,902</u>	<u>\$ 94,883</u>	<u>\$ 734,239</u>

The accompanying notes are an integral part of these statements

ESOPHAGEAL CANCER ACTION NETWORK, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2023

	Program Services	Management and General	Fundraising	Totals
Bank fees	\$ 2,431	\$ 2,431	\$ 2,431	\$ 7,293
Depreciation	-	2,141	-	2,141
Events and conferences	11,504	-	105,791	117,295
Insurance	21,596	3,600	3,600	28,796
Interest	-	7,792	-	7,792
Marketing	29,206	-	29,206	58,412
Merchandise	2,852	-	2,852	5,704
Miscellaneous	1,357	-	1,357	2,714
Office supplies	2,999	375	375	3,749
Payroll taxes	16,346	2,724	2,724	21,794
Postage and shipping	3,660	610	610	4,880
Printing	763	128	128	1,019
Professional fees	43,942	-	1,107	45,049
Public awareness	129,322	-	-	129,322
Recruitment	-	9,851	-	9,851
Rent	27,007	4,501	4,501	36,009
Repairs and maintenance	-	512	-	512
Salaries	209,828	34,791	34,791	279,410
Telephone	5,437	906	906	7,249
Volunteer appreciation	7,964	-	7,964	15,928
Website and technology	5,245	301	951	6,497
	<u>521,459</u>	<u>70,663</u>	<u>199,294</u>	<u>791,416</u>
Less direct expenses for special events	-	-	(105,791)	(105,791)
	<u>\$ 521,459</u>	<u>\$ 70,663</u>	<u>\$ 93,503</u>	<u>\$ 685,625</u>

The accompanying notes are an integral part of these statements

ESOPHAGEAL CANCER ACTION NETWORK, INC.

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (115,707)	\$ (205,628)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	2,363	2,141
(Increase) decrease in operating assets:		
Accounts receivable	3,770	(3,770)
Inventory	(924)	(19,406)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(13,629)	3,289
Deferred revenue	-	(613)
Net cash used by operating activities	(124,127)	(223,987)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(3,990)
Net decrease in cash and equivalents	(124,127)	(227,977)
Cash and cash equivalents, beginning of year	354,854	582,831
Cash and cash equivalents, end of year	\$ 230,727	\$ 354,854

The accompanying notes are an integral part of these statements

ESOPHAGEAL CANCER ACTION NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Esophageal Cancer Action Network, Inc. ("ECAN") is a not-for-profit organization incorporated under the laws of the State of Maryland on January 9, 2008. ECAN helps raise awareness of the risk of esophageal cancer posed by persistent heartburn or gastroesophageal reflux disease known as GERD. The Organization brings together a community of individuals and groups who are concerned about the rapid increase in esophageal cancer cases and want to support the campaign for public awareness and creation of more effective tools to prevent, detect, and treat the disease. The Organization is dedicated to increasing the funding available for medical research to battle esophageal cancer.

Basis of Accounting

The financial statements of ECAN have been prepared in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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 (or certain grantor) restrictions. These net assets may be used at the discretion of the ECAN's management and the Board of Directors.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) 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.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of financial statement presentation, cash includes all checking and cash management accounts.

ESOPHAGEAL CANCER ACTION NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Credit Risk

ECAN maintains bank deposits that at times may exceed federally insured limits. FDIC insurance covers all deposit accounts, including checking and savings accounts, money market accounts and certificates of deposit. The standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category. ECAN has not experienced any losses on its deposits and believes it is not exposed to significant risk on cash and equivalents.

Contributions and Grants Receivable

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a market interest rate applicable to the year in which the promise is received. Future amortization of the discount will be included in contributions revenue. Management closely monitors outstanding balances and writes off any balances deemed uncollectible.

Contributions and Grants

Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor 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 statement of activities as net assets released from restrictions. Gifts and investment income having donor stipulations that are satisfied in the period the gift is received are reported as revenue and net assets without donor restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

ESOPHAGEAL CANCER ACTION NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

ECAN is a not-for-profit organization that is exempt from taxes under Section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. ECAN has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. ECAN has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Income Tax Position

ECAN follows the guidance of ASC 740-10, "Accounting for Uncertainty in Income Taxes", which clarifies the accounting for the recognition and measurement of the benefits of individual tax positions in the financial statement, including those of non-profit organizations. Tax positions must meet a recognition threshold of more-likely-than-not in order for the benefit of those tax positions to be recognized in the ECAN's financial statements.

ECAN analyzes tax positions taken, including those related to the requirements set forth in IRC Sec. 501(c) to qualify as a tax-exempt organization, activities performed by volunteers and Board members, the reporting of unrelated business income, and its status as a tax-exempt organization under Maryland State statute. The Organization does not know of any tax benefits arising from uncertain tax positions, and there was no effect on the Organization's financial position or changes in net assets as a result of analyzing its tax positions. Years ending on or after December 31, 2019 remain subject to examination by federal and state authorities.

Compensated Absences

Full time employees of ECAN are entitled to paid vacation, paid sick days and personal days off, depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. ECAN's policy is to recognize the costs of compensated absences when actually paid to employees.

Furniture and Equipment

Furniture and equipment acquisitions in excess of \$1,000 are capitalized and recorded at cost or, if donated, at the fair value at the date of receipt. Depreciation is calculated on the straight-line basis over the useful lives of the assets.

Advertising Costs

ECAN expenses advertising costs when incurred. Advertising expense was \$27,128 and \$58,412 for the years ended December 31, 2024 and 2023.

Inventory

Inventory consists of clothes and smaller items to be sold. Merchandise inventory is estimated by management, with the cost of inventory being determined using the gross profit method.

ESOPHAGEAL CANCER ACTION NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Goods and Services

Donated services are recognized as a contribution if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ECAN.

Many volunteers have made significant contributions of time in furthering ECAN's programs and objectives. The value of this contributed time is not recorded in the accompanying financial statements, because the contributed services provided do not require specialized skills or create non-financial assets. Donations in-kind of goods, facilities, or services are recorded at fair value at the date of the gift. There were no amounts recorded for donated goods and services for the years ending December 31, 2024 and 2023.

Right-of-use asset and lease liability

ECAN recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in the company's estimate of the amount expected to be payable under a residual value guarantee.

ECAN has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. On such leases, lease payments are recognized as an expense on a straight-line basis over the lease term.

Subsequent Events

ECAN has evaluated subsequent events through the date the financial statements were available to be issued on October 15, 2025 and determined there are no material transactions to disclose.

NOTE 2 - RECLASSIFICATION OF PRIOR YEAR PRESENTATION

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had *no* effect on net assets.

ESOPHAGEAL CANCER ACTION NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets that have been restricted by the donor for the following purposes at December 31:

	2024	2023
Subject to expenditure for specified purpose:		
FDA petition	\$ 7,700	\$ 7,700

Net assets *released* from donor restrictions by incurring expenses satisfying the restricted purpose specified by donors during fiscal year ending December 31, 2023 and 2024 are as follows:

	2024	2023
Purpose restrictions accomplished:		
Patient guide update	\$ -	\$ 27,000

NOTE 4 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

ECAN regularly monitors liquidity to meet its operating needs. ECAN's sources of liquidity at its disposal are cash and total receivables.

For the purpose of analyzing resources available to meet general expenditures over a 12- month period, ECAN considers all expenditures related to ongoing activities of its programs as well as the conduct of services undertaken to support those activities to be general expenditures.

The following reflects the ECAN's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2024	2023
Financial assets at year-end:		
Cash	\$ 230,727	\$ 354,854
Less those <i>unavailable</i> for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor based on purpose	(7,700)	(7,700)
Financial assets available to meet cash needs for general expenditures within one year	\$ 223,027	\$ 347,154

NOTE 5 - OPERATING LEASE

In January of 2019, ECAN entered into a one year operating lease for office space in Stevensville, Maryland. This agreement has been extended various times and expires in February 2025.

Rent expense totaled \$36,427 and \$36,009 for the years ended December 31, 2024 and 2023, respectively, inclusive of property taxes and maintenance charges.

Future minimum lease commitments under non-cancellable operating leases are as follows:

2025	\$ 6,000
------	-----------------

ESOPHAGEAL CANCER ACTION NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 6 - NOTES PAYABLE

Notes payable is summarized below as of December 31:

	2024
Economic Injury Disaster Loan (EIDL) obtained from Small Business Administration (SBA). The loan is secured by the assets of the Organization. The loan has a monthly payment of \$641, interest at 2.75% and maturity date of July 6, 2050.	\$ 150,000
Less: Current portion	(1,015)
	\$ 148,985

Principal maturities on long-term debt are as follows:

For the year ending December 31:

2025	1,015
2026	3,109
2027	3,207
2028	3,308
2029	3,412
Thereafter	135,949
	\$ 150,000

NOTE 7 - SPECIAL EVENTS

The special events income and the related direct costs for the year ended December 31, 2024 consisted of the following:

	Revenue	Expenses	Net
Walking Events	\$ 98,462	\$ 14,252	\$ 84,210
Other Events	-	-	-
	\$ 98,462	\$ 14,252	\$ 84,210

The special events income and the related direct costs for the year ended December 31, 2023 consisted of the following:

	Revenue	Expenses	Net
Walking Events	\$ 209,759	\$ 105,791	\$ 103,968
Other Events	22,608	-	22,608
	\$ 232,367	\$ 105,791	\$ 126,576