

**AMERICAN SOCIETY OF TRANSPLANTATION AND SUBSIDIARY**  
**Consolidated Financial Statements**  
**December 31, 2024**  
**With Independent Auditor's Report**

**American Society of Transplantation and Subsidiary**  
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**December 31, 2024 With Comparative Totals 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
American Society of Transplantation:

### Opinion

We have audited the consolidated financial statements of the American Society of Transplantation (a nonprofit organization) and Subsidiary (a limited liability company), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the American Society of Transplantation and Subsidiary as of December 31, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 American Society of Transplantation and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the American Society of Transplantation and Subsidiary's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 American Society of Transplantation and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the American Society of Transplantation and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### Report on Summarized Comparative Information

The American Society of Transplantation and Subsidiary's 2023 consolidated financial statements were previously audited by BBD, LLP, who joined with WithumSmith+Brown, PC on April 1, 2024, and expressed an unmodified audit opinion on those audited consolidated financial statements in their report dated June 7, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

*WithumSmith+Brown, PC*

November 11, 2025

**American Society of Transplantation and Subsidiary  
Consolidated Statement of Financial Position  
December 31, 2024 with Comparative Totals for 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash	\$ 1,251,709	\$ 611,725
Contributions receivable	79,250	220,000
Accounts receivable		
Distribution from joint venture	-	1,160,643
Publications	262,799	64,416
Other	-	98,529
Prepaid expenses	514,228	735,770
Right of use asset - operating lease, net	257,559	322,225
Investments	19,471,561	18,270,946
Equipment and website development costs (net of accumulated depreciation of \$439,898 in 2024 and \$395,963 in 2023)	276,744	185,518
Interest in net assets of joint venture	<u>288,728</u>	<u>201,023</u>
 Total assets	 <u>\$ 22,402,578</u>	 <u>\$ 21,870,795</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 312,754	\$ 527,273
Deferred income		
Membership dues and subscriptions	817,853	695,496
Corporate membership dues	95,000	51,667
Meeting registration and sponsorship	127,465	136,540
Other	105,000	184,750
Operating lease liability	<u>267,016</u>	<u>329,621</u>
Total liabilities	<u>1,725,088</u>	<u>1,925,347</u>
<b>Net assets</b>		
Without donor restrictions		
Operating	4,229,141	3,872,439
Board designated	<u>15,166,663</u>	<u>14,728,458</u>
	19,395,804	18,600,897
With donor restrictions	<u>1,281,686</u>	<u>1,344,551</u>
Total net assets	<u>20,677,490</u>	<u>19,945,448</u>
 Total liabilities and net assets	 <u>\$ 22,402,578</u>	 <u>\$ 21,870,795</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

**American Society of Transplantation and Subsidiary**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2024 with Comparative Totals for 2023**

	Without Donor Restrictions			With Donor Restrictions	Totals	
	Operating	Board Designated	Total		2024	2023
<b>Revenue</b>						
Membership dues and subscriptions	\$ 1,434,301	\$ -	\$ 1,434,301	\$ -	\$ 1,434,301	\$ 1,313,438
Corporate membership dues	475,417	-	475,417	-	475,417	480,833
Income from joint ventures	785,422	-	785,422	-	785,422	802,144
Journal royalty	248,080	-	248,080	-	248,080	334,794
Meeting registration and sponsorships and other educational projects	987,747	-	987,747	-	987,747	1,089,602
Partner Connect	161,000	-	161,000	-	161,000	175,750
Other	317,132	-	317,132	-	317,132	401,438
Total revenue	<u>4,409,099</u>	<u>-</u>	<u>4,409,099</u>	<u>-</u>	<u>4,409,099</u>	<u>4,597,999</u>
<b>Support</b>						
Contributions	<u>277,497</u>	<u>-</u>	<u>277,497</u>	<u>376,093</u>	<u>653,590</u>	<u>1,158,593</u>
<b>Net assets released from restrictions</b>						
Endowment spending policy	1,000,000	(961,714)	38,286	(38,286)	-	-
Expiration of purpose and time restrictions	477,857	-	477,857	(477,857)	-	-
Total revenue and support	<u>6,164,453</u>	<u>(961,714)</u>	<u>5,202,739</u>	<u>(140,050)</u>	<u>5,062,689</u>	<u>5,756,592</u>
<b>Expenses</b>						
Program services						
Grants and awards	982,958	-	982,958	-	982,958	1,253,318
Meetings and educational projects	2,525,046	-	2,525,046	-	2,525,046	2,848,381
Fellowship training	102,462	-	102,462	-	102,462	74,149
Advocacy	588,584	-	588,584	-	588,584	573,897
Publications	182,902	-	182,902	-	182,902	186,450
Supporting services						
Management and general	1,012,400	-	1,012,400	-	1,012,400	1,225,610
Member services	419,947	-	419,947	-	419,947	466,688
Fundraising	251,052	-	251,052	-	251,052	269,912
Total expenses	<u>6,065,351</u>	<u>-</u>	<u>6,065,351</u>	<u>-</u>	<u>6,065,351</u>	<u>6,898,405</u>
Change in net assets before other changes	99,102	(961,714)	(862,612)	(140,050)	(1,002,662)	(1,141,813)
<b>Other changes</b>						
Investment income, net	<u>257,600</u>	<u>1,399,919</u>	<u>1,657,519</u>	<u>77,185</u>	<u>1,734,704</u>	<u>2,568,041</u>
Change in net assets	356,702	438,205	794,907	(62,865)	732,042	1,426,228
<b>Net assets</b>						
Beginning of year	<u>3,872,439</u>	<u>14,728,458</u>	<u>18,600,897</u>	<u>1,344,551</u>	<u>19,945,448</u>	<u>18,519,220</u>
End of year	<u>\$ 4,229,141</u>	<u>\$ 15,166,663</u>	<u>\$ 19,395,804</u>	<u>\$ 1,281,686</u>	<u>\$ 20,677,490</u>	<u>\$ 19,945,448</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

**American Society of Transplantation and Subsidiary  
Consolidated Statement of Functional Expenses  
Year Ended December 31, 2024 with Comparative Totals for 2023**

	Program Services					Supporting Services				Totals		
	Grants and Awards	Meetings and Educational Projects	Fellowship Training	Advocacy	Publications	Total Program Services	Management and General	Member Services	Fundraising	Total Supporting Services	2024	2023
Salaries and benefits	\$ 64,281	\$ 1,178,494	\$ -	\$ 342,834	\$ -	\$ 1,585,609	\$ 278,555	\$ 192,844	\$ 85,708	\$ 557,107	\$ 2,142,716	\$ 2,085,136
Accreditation expense	-	17,000	-	-	-	17,000	-	-	-	-	17,000	20,500
Audiovisual services	-	237,684	-	-	-	237,684	-	-	-	-	237,684	296,941
Board meetings expense	-	54,944	-	-	-	54,944	43,537	-	-	43,537	98,481	137,888
Committee expenses	-	9,929	-	-	-	9,929	-	73,334	-	73,334	83,263	84,137
Contracted services	-	1,000	53,825	-	-	54,825	239,946	13,119	-	253,065	307,890	307,161
Copies, printing and supplies	-	4,978	24	-	-	5,002	6,965	9,371	-	16,336	21,338	41,113
Depreciation	-	-	-	-	-	-	11,803	32,132	-	43,935	43,935	62,389
Grants	911,950	-	-	-	-	911,950	-	-	-	-	911,950	1,183,590
Hotel, food and beverage	-	661,210	-	-	-	661,210	146,865	6,886	29,613	183,364	844,574	1,127,100
Insurance	-	-	17,222	-	-	17,222	30,634	-	-	30,634	47,856	46,882
Journal subscription expense	-	750	-	-	182,801	183,551	-	-	-	-	183,551	187,200
Officer expense	-	-	-	-	-	-	24,250	-	-	24,250	24,250	60,000
Professional fees	-	26,022	1,080	240,000	-	267,102	32,857	-	42,684	75,541	342,643	356,841
Program materials	1,059	279,793	-	-	101	280,953	-	-	-	-	280,953	430,259
Public relations and marketing	-	29,623	-	2,050	-	31,673	-	6,406	7,362	13,768	45,441	30,976
Technology	5,668	5,176	829	3,700	-	15,373	80,252	85,855	84,739	250,846	266,219	236,440
Travel	-	-	25,446	-	-	25,446	16,339	-	946	17,285	42,731	24,018
Miscellaneous	-	18,443	4,036	-	-	22,479	100,397	-	-	100,397	122,876	179,834
<b>Total expenses</b>	<b>\$ 982,958</b>	<b>\$ 2,525,046</b>	<b>\$ 102,462</b>	<b>\$ 588,584</b>	<b>\$ 182,902</b>	<b>\$ 4,381,952</b>	<b>\$ 1,012,400</b>	<b>\$ 419,947</b>	<b>\$ 251,052</b>	<b>\$ 1,683,399</b>	<b>\$ 6,065,351</b>	<b>\$ 6,898,405</b>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

**American Society of Transplantation and Subsidiary**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2024 with Comparative Totals for 2023**

	<u>2024</u>	<u>2023</u>
<b>Operating activities</b>		
Change in net assets	\$ 732,042	\$ 1,426,228
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized gain on investments	(1,422,258)	(2,255,082)
Contributions restricted for long-term purpose	(21,843)	(58,051)
Change in interest in net assets of joint ventures	(87,705)	112,609
Depreciation	49,935	62,389
Amortization of right of use asset - operating lease	64,666	63,730
Change in operating assets and liabilities		
Contributions receivable	140,750	(5,000)
Accounts receivable	1,060,789	(86,452)
Prepaid expenses	221,542	(203,783)
Accounts payable and accrued expenses	(214,519)	96,140
Deferred income	76,865	(244,438)
Operating lease liability	<u>(62,605)</u>	<u>(63,833)</u>
Net cash provided by (used in) operating activities	<u>537,659</u>	<u>(1,155,543)</u>
<b>Investing activities</b>		
Purchase of investments	(2,490,592)	(4,561,659)
Proceeds from sale of investments	2,712,235	5,851,766
Purchase of equipment and website development costs	<u>(141,161)</u>	<u>(172,333)</u>
Net cash provided by investing activities	<u>80,482</u>	<u>1,117,774</u>
<b>Financing activity</b>		
Contributions restricted for long-term purpose	<u>21,843</u>	<u>58,051</u>
Net cash provided by financing activity	<u>21,843</u>	<u>58,051</u>
Net change in cash	639,984	20,282
<b>Cash</b>		
Beginning of year	<u>611,725</u>	<u>591,443</u>
<b>End of year</b>	<u>\$ 1,251,709</u>	<u>\$ 611,725</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

**American Society of Transplantation and Subsidiary**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 With Comparative Totals 2023**

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**1. NATURE OF OPERATIONS**

American Society of Transplantation ("AST") is a not-for-profit organization, the primary objectives of which are to promote and encourage education and research with respect to transplantation medicine and immunology; to provide a forum for the exchange of scientific information related to transplantation medicine and immunology; and to provide physicians and allied scientists interested in transplantation medicine and immunology an effective, unified authoritative voice in dealing with other governmental, medical, professional and private agencies and organizations.

AST Transplant Nephrology Fellowship Training Accreditation Program ("TNFTAP") was organized as a limited liability company on May 1, 2014 and is wholly owned by AST. TNFTAP's primary purpose is to conduct, oversee, and manage the AST Transplant Nephrology Fellowship Training Accreditation Program in order to promote the education, training and knowledge of renal transplant physicians.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Consolidation**

The consolidated financial statements include the accounts of AST and TNFTAP. All intercompany accounts and transactions have been eliminated upon consolidation.

**Basis of Accounting**

The accompanying consolidated financial statements of AST and TNFTAP have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("GAAP"). As a result, revenues are recognized when earned and expenses are recognized when incurred.

**Basis of Presentation**

AST and TNFTAP report information regarding their financial position and activities according to the following classes of net assets:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by AST and TNFTAP or may be limited by contractual agreements with outside parties. In addition, net assets without donor restrictions includes a board-designated endowment.

**Net assets with donor restrictions:** Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of AST and TNFTAP and/or the passage of time. Some donor restrictions are temporary in nature; those restrictions will be met by actions of AST and TNFTAP or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

**Accounting Estimates**

In preparing consolidated financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the net realizable value of grants and contributions receivable, the net realizable value of right of use assets and operating lease liabilities the fair value of investments and the allocation of functional expenses.

**American Society of Transplantation and Subsidiary**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 With Comparative Totals 2023**

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**Measure of Operations**

The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. AST and TNFTAP include in its measure of operations all revenues and expenses that are integral to its program and supporting services. The measure of operations excludes non-operating activities, which are limited to investments income, net which is considered to be of a non-operating nature.

**Concentrations of Credit Risk**

AST and TNFTAP have significant cash balances at financial institutions which throughout the year could exceed the amounts insured by the Federal Deposit Insurance for up to \$250,000. Any loss incurred or lack of access to such funds could have a significant adverse impact on AST and TNFTAP's financial condition, change in net assets, and cash flows.

**Fair Value Measurements of Assets and Liabilities**

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. GAAP 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 AST and TNFTAP. Unobservable inputs reflect the Society's assumptions about the inputs market participants would use in pricing the asset or liability 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* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that AST and TNFTAP have the ability to access.

*Level 2* - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. AST and TNFTAP have no assets or liabilities values using Level 2 inputs as of December 31, 2024 and 2023.

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. AST and TNFTAP have no assets or liabilities valued using Level 3 inputs as of December 31, 2024 and 2023.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

*Common Stocks, Money Market Funds, and Mutual Funds:* Valued at quoted prices for identical assets or liabilities in active markets that AST and TNFTAP have the ability to access. These are classified as Level 1.

**American Society of Transplantation and Subsidiary**  
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**Contributions Receivable**

AST and TNFTAP record unconditional contributions receivable that are expected to be collected within one year at net realizable value. Contributions receivable with expected collection past one year are recorded at net present value using risk-free rates applicable to the years in which the promises are received. AST and TNFTAP monitor the collectability of these receivables and an allowance for uncollectable promises to give is recorded based on historical experience, an assessment of economic conditions, and a review of subsequent collections. AST and TNFTAP have no allowance for uncollectible accounts at December 31, 2024 and 2023.

**Accounts Receivable**

Accounts receivable represent unsecured, noninterest bearing obligations due within normal payment terms and are carried at original invoice amounts less an estimate made for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for credit losses by identifying troubled accounts and performing a historical and future looking analysis. Receivables are written off when deemed uncollectible. Any uncollectible amounts would not be material to the consolidated financial statements. Accounts receivable from contracts with customers as of January 1, 2024 was \$1,323,588.

**Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, as determined by quoted market prices, with gains and losses included in the consolidated statement of activities. Dividend and interest income is recorded as earned.

AST and TNFTAP invest in a professionally-managed portfolio that contains various types of investments (See Note 3). Such investments are exposed to market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that the amounts reported in the consolidated financial statements could change materially in the near term.

**Equipment and Website Development Costs**

Equipment and website development costs are recorded at cost if purchased and at fair value at the date of donation if contributed, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated lives of the assets, which range from 3 to 5 years.

**Leases**

AST and TNFTAP categorize leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow AST and TNFTAP to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with a term of twelve months or less are considered short term leases and are accounted for as an expense in the consolidated statements of activities as rental payments are incurred. AST and TNFTAP had no financing leases during the years ended December 31, 2024 and 2023.

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For leases of property, we account for these other services as a component of the lease. For all other leases, the services are accounted for separately and we allocate payments to the lease and other services components based on estimated stand-alone prices.

**American Society of Transplantation and Subsidiary**  
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Operating lease assets represent AST and TNFTAP's right to use an underlying asset for the lease term (including the estimated purchase option exercise term if they are likely to be exercised) and lease liabilities represent its obligation to make lease payments (including the estimated purchase option) arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. AST and TNFTAP use the implicit rate when readily determinable. When the lease does not provide an implicit rate, AST and TNFTAP use a risk-free rate based on the information available at commencement date in determining the present value of lease payments.

Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

**Revenue Recognition**

AST and TNFTAP account for revenue from contracts with customers as exchange transactions in the consolidated statement of activities as revenue without donor restrictions.

In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under its agreements, AST and TNFTAP perform the following steps in accordance with Topic 606: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) AST and TNFTAP satisfy each performance obligation.

Membership dues and subscriptions and corporate membership dues are invoiced based on fixed rate schedules at the beginning of the membership year, which creates a deferred revenue balance upon collection. Revenue from membership dues and subscriptions and corporate membership dues is recognized as revenue on a pro rata basis over the year as benefits are provided.

Meetings, registration, sponsorships and educational projects are based on published fixed rates and collected either at the time of registration, in advance of the meeting resulting in a deferred revenue balance or at the time the meeting takes place and immediately recognized as revenue. Educational projects are recognized in the period the projects are conducted.

Publication prices are fixed at the time of purchase based on price listings or negotiated rate, which are paid at the time of purchase. Revenue from publications is recognized in the period that the publication is delivered to the customer or over the period of time that a customer may access the resource depending on the type of publication.

Deferred revenue of \$1,145,318 at December 31, 2024 is expected to be recognized as revenue in 2025, except for the Elsevier signing bonus of \$90,000, of which \$30,000 will be recognized each year through 2027. Deferred revenue of \$1,068,453 at January 1, 2024 was recognized as revenue in 2024, except for the Elsevier signing bonus of \$120,000, of which \$30,000 will be recognized each year through 2027.

**Contributions**

AST and TNFTAP recognize contributions when cash, securities or other assets; an unconditional promise to give; or a 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 or release – are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Contributions received are recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

**American Society of Transplantation and Subsidiary**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 With Comparative Totals 2023**

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**Income Taxes**

AST is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. AST qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1). However, income from certain activities not directly related to AST's tax-exempt purpose may be subject to taxation as unrelated business income.

TNFTAP is a limited liability company whose single member is AST.

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their tax returns. GAAP prescribes a minimum threshold that a tax position is required to meet in order to be recognized in the consolidated financial statements. AST and TNFTAP believe that they had no uncertain tax positions as defined in GAAP.

**Functional Allocation of Expenses**

The costs of providing the program and supporting services have been summarized on a functional basis in the consolidated statements of activities and detailed by natural classification within the consolidated statement of functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and benefits which are allocated based on estimates of time and effort.

**Summarized Prior-Year Information**

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with AST and TNFTAP's consolidated financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the 2023 summarized comparative information to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**3. INVESTMENTS**

Investments consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Money market funds (Level 1)	\$ 2,312,502	\$ 1,462,968
Common stocks (Level 1)	6,853,065	5,084,820
Mutual funds (Level 1)		
Equity	5,774,796	7,064,441
Fixed income	<u>4,531,198</u>	<u>4,658,717</u>
	<u>\$ 19,471,561</u>	<u>\$ 18,270,946</u>

Investment income, net was comprised of the following for the year ended December 31, 2024 and 2023:

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	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 419,450	\$ 412,324
Net realized and unrealized gain	1,422,258	2,255,082
Less: Investment management fees	<u>(107,004)</u>	<u>(99,365)</u>
Investment income, net	<u>\$ 1,734,704</u>	<u>\$ 2,568,041</u>

**4. CONDITIONAL GRANTS PAYABLE**

AST had conditional grant agreements of \$610,000 and \$700,000 at December 31, 2024 and 2023, respectively. As these grants are conditional on future events, no liability has been recorded in the consolidated financial statements. Future anticipated payments of conditional grants are \$610,000 in 2025.

**5. INTEREST IN NET ASSETS OF JOINT VENTURE**

AST has entered into an unincorporated joint venture with the American Society of Transplant Surgeons ("ASTS") to co-sponsor meetings, publications and other common activities. Each organization has a 50% interest in the joint venture. AST has estimated its interest in the net assets of the joint venture to be \$288,728 and \$201,023 as of December 31, 2024 and 2023, respectively. AST also has a distribution receivable from the joint venture of \$0 and \$1,160,643 included in accounts receivable on the consolidated statement of financial position at December 31, 2024 and 2023, respectively.

AST records its interest in the net assets of the joint venture described above on the equity method. Summarized financial information as of December 31, 2024 and 2023 and for the years then ended from the joint venture's financial statements is as follows:

	<u>2024</u>	<u>2023</u>
Assets	\$ 1,286,386	\$ 3,147,673
Liabilities	<u>(708,930)</u>	<u>(2,745,627)</u>
Net assets	<u>\$ 577,456</u>	<u>\$ 402,046</u>
Revenues	\$ 7,188,735	\$ 7,075,358
Expenses	(4,702,157)	(3,973,432)
Distributions, net	<u>(2,311,168)</u>	<u>(3,101,926)</u>
Change in net assets	<u>\$ 175,410</u>	<u>\$ -</u>

AST also had a joint venture with the American Society of Nephrology ("ASN"). Each organization had a 50% interest in the joint venture. This venture ended during 2023 and AST received a final distribution of \$112,609 during the year ended December 31, 2023.

**6. LEASES**

AST leases its office space under a lease which expires October 31, 2028. Rent expense and cash paid for the years ended December 31, 2024 and 2023 was \$69,377 and \$69,021, respectively, and is included in contracted services expenses on the consolidated statement of functional expenses.

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The maturities of the operating lease liability were as follows for the years ending December 31,:

2025	\$ 69,631
2026	72,202
2027	74,773
2028	<u>64,275</u>
	280,881
Less: Interest	<u>(13,865)</u>
Present value of operating leases liability	<u>\$ 267,016</u>

The weighted average remaining lease term on operating leases was 1.88 and 2.88 years and the weighted average discount rate was 1.55% as of December 31, 2024 and 2023, respectively.

**7. NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED**

Board designated net assets consist of the following at December 31, 2024 and 2023:

	<u>Balance December 31, 2023</u>	<u>Additions</u>	<u>Investment Income, Net</u>	<u>Releases</u>	<u>Balance December 31, 2024</u>
Quasi-Endowment fund	\$ 14,728,458	\$ -	\$ 1,399,919	\$ (961,714)	\$ 15,166,663

  

	<u>Balance December 31, 2022</u>	<u>Additions</u>	<u>Investment Income, Net</u>	<u>Releases</u>	<u>Balance December 31, 2023</u>
Quasi-Endowment fund	\$ 13,887,093	\$ 9,750	\$ 2,120,019	\$ (1,288,404)	\$ 14,728,458

The Quasi-Endowment fund is to provide income to support core AST programs.

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes and periods:

	<u>Balance December 31, 2023</u>	<u>Additions</u>	<u>Releases</u>	<u>Balance December 31, 2024</u>
Subject to expenditure for specified purposes or periods				
Grants and awards	\$ 467,500	\$ 354,250	\$ (449,322)	\$ 372,428
Education and other	<u>65,000</u>	<u>-</u>	<u>(28,535)</u>	<u>36,465</u>
	532,500	354,250	(477,857)	408,893
Net assets to be maintained indefinitely				
Endowment, whose income is available for various programs	<u>812,051</u>	<u>99,028</u>	<u>(38,286)</u>	<u>872,793</u>
	<u>\$ 1,344,551</u>	<u>\$ 453,278</u>	<u>\$ (516,143)</u>	<u>\$ 1,281,686</u>

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	<u>Balance December 31, 2022</u>	<u>Additions</u>	<u>Releases</u>	<u>Balance December 31, 2023</u>
Subject to expenditure for specified purposes or periods				
Grants and awards	\$ 537,187	\$ 467,500	\$ (537,187)	\$ 467,500
Education and other	225,000	-	(160,000)	65,000
	<u>762,187</u>	<u>467,500</u>	<u>(697,187)</u>	<u>532,500</u>
Net assets to be maintained indefinitely				
Endowment, whose income is available for various programs	691,934	156,713	(36,596)	812,051
	<u>\$ 1,454,121</u>	<u>\$ 624,213</u>	<u>\$ (733,783)</u>	<u>\$ 1,344,551</u>

The endowment has an historical dollar value of \$675,236 and \$653,393 at December 31, 2024 and 2023, respectively.

**9. ENDOWMENT FUNDS**

In 2009, the State of New Jersey enacted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") effective immediately, the provisions of which apply to endowment funds existing on or established after that date. AST has determined that its net assets with donor restrictions meet the definition of an endowment fund under UPMIFA.

AST has adopted investment and spending policies for its 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 these endowment assets over the long-term. AST's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

The spending policy calculates the amount of money annually distributed from the endowment funds to support various programs. The current spending policy on the endowment funds is to distribute an amount equal to 5% in 2024 and 2023 of a moving three-year average of the fair value of the endowment fund.

Changes in the endowment assets for the years ended are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, December 31, 2023	\$ 14,728,458	\$ 812,051	\$ 15,540,509
Additions			
Contributions	-	21,843	21,843
Investment income	1,399,919	77,185	1,477,104
Spending policy distribution and transfers	(961,714)	(38,286)	(1,000,000)
Endowment net assets, December 31, 2024	<u>\$ 15,166,663</u>	<u>\$ 872,793</u>	<u>\$ 16,039,456</u>

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, December 31, 2022	\$ 13,887,093	\$ 691,934	\$ 14,579,027
Additions			
Contributions	9,750	51,081	60,831
Investment income	2,120,019	105,632	2,225,651
Spending policy distribution and transfers	<u>(1,288,404)</u>	<u>(36,596)</u>	<u>(1,325,000)</u>
Endowment net assets, December 31, 2023	<u>\$ 14,728,458</u>	<u>\$ 812,051</u>	<u>\$ 15,540,509</u>

**10. RETIREMENT PLAN**

AST participates in a defined contribution plan that covers substantially all of its employees. Employees can contribute any percentage of their income up to the Internal Revenue Service limit for the year. AST can make a discretionary matching contribution. Employer contributions made to the plan for the years ended December 31, 2024 and 2023 were \$62,824 and \$75,465, respectively.

**11. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects AST and TNFTAP's financial assets as of the consolidated statement of financial position date, which has been reduced by financial assets not available within one year.

	<u>2024</u>	<u>2023</u>
Cash	\$ 1,251,709	\$ 611,725
Contributions receivable	79,250	220,000
Accounts receivable	262,799	1,323,588
Investments	<u>19,471,561</u>	<u>18,270,946</u>
	21,065,319	20,426,259
Less: Financial assets not available for general operations within one year		
Restricted by donor for specific purposes or periods	(408,893)	(532,500)
Restricted by donor to be maintained indefinitely	(872,793)	(812,051)
Board designated funds	<u>(15,166,663)</u>	<u>(14,728,458)</u>
Financial assets available within one year	<u>\$ 4,616,970</u>	<u>\$ 4,353,250</u>

**Liquidity Management**

As part of AST and TNFTAP's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically money market funds and equity and fixed income mutual funds.

**12. HOTEL COMMITMENTS**

AST has entered into agreements with hotels providing room accommodations for its educational meetings through 2027. These agreements include a guarantee by AST that a minimum number of rooms will be rented by conference attendees. AST intends to hold its educational meetings at the scheduled hotels.

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**13. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 11, 2025, the date on which the consolidated financial statements were available to be issued. No subsequent events have occurred since December 31, 2024 that require recognition or disclosure in the consolidated financial statements.