THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF
Pittsburgh, Pennsylvania

Financial Statements
For the years ended December 31, 2024 and 2023

and Independent Auditor's Report Thereon

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
The Brother's Brother Foundation
Pittsburgh, Pennsylvania

Opinion

We have audited the accompanying financial statements of The Brother's Brother Foundation, dba BBF Global Relief (BBF), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BBF as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BBF 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 BBF's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BBF'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 BBF'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.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
June 16, 2025

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Cash and cash equivalents	$ 2,031,136	$ 1,663,827
Restricted cash and cash equivalents	1,997,998	1,922,614
	4,029,134	3,586,441
Accounts and pledges receivable	256,032	243,420
Investments	260,073	258,286
Inventory	16,796,420	42,850,076
Prepaid expenses	51,996	60,940
Property and equipment, net	2,593,666	2,547,786
Total Assets	$ 23,987,321	$ 49,546,949
LIABILITIES		
Accounts payable and accrued liabilities	$ 247,738	$ 300,120
Total Liabilities	247,738	300,120
NET ASSETS		
Net Assets Without Donor Restrictions	21,635,080	47,201,515
Net Assets With Donor Restrictions:		
Purpose-restricted	1,688,015	1,626,244
Perpetual in nature	416,488	419,070
	2,104,503	2,045,314
	23,739,583	49,246,829
Total Liabilities And Net Assets	$ 23,987,321	$ 49,546,949

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions			With Donor Restrictions	Total
	General Operating	In-Kind	Total		
REVENUE AND PUBLIC SUPPORT					
Donated materials and supplies	-	$162,924,184	$162,924,184	-	$162,924,184
Individuals	$2,529,862	-	2,529,862	$ 912,824	3,442,686
Foundations	224,347	-	224,347	1,172,859	1,397,206
Program service fees	438,283	-	438,283	-	438,283
Corporations	20,631	-	20,631	17,307	37,938
Civic, social clubs and education	2,850	-	2,850	14,157	17,007
Religious organizations	36,694	-	36,694	54,038	90,732
	3,252,667	162,924,184	166,176,851	2,171,185	168,348,036
Investment and other income, net	55,295	-	55,295	5,879	61,174
Rental income	3,350	-	3,350	-	3,350
Special event income	-	-	-	192,551	192,551
Net assets released from restrictions	2,310,426	-	2,310,426	(2,310,426)	-
Total Revenue And Public Support	5,621,738	162,924,184	168,545,922	59,189	168,605,111
FUNCTIONAL EXPENSES					
Program services	3,158,722	189,301,815	192,460,537	-	192,460,537
Support services:					
Management and general	975,592	-	975,592	-	975,592
Fundraising	676,228	-	676,228	-	676,228
Total Support Services	1,651,820	-	1,651,820	-	1,651,820
Total Functional Expenses	4,810,542	189,301,815	194,112,357	-	194,112,357
	811,196	(26,377,631)	(25,566,435)	59,189	(25,507,246)
NET ASSETS					
Beginning of year	4,349,864	42,851,651	47,201,515	2,045,314	49,246,829
End of year	$5,161,060	$ 16,474,020	$ 21,635,080	$2,104,503	$ 23,739,583

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions			With Donor Restrictions	Total
	General Operating	In-Kind	Total		
REVENUE AND PUBLIC SUPPORT					
Donated materials and supplies	-	$ 94,595,679	$ 94,595,679	-	$ 94,595,679
Individuals	$ 1,918,651	-	1,918,651	$ 871,206	2,789,857
Foundations	243,000	-	243,000	926,325	1,169,325
Program service fees	373,858	-	373,858	-	373,858
Corporations	17,861	-	17,861	35,178	53,039
Civic, social clubs and education	8,653	-	8,653	84,479	93,132
Religious organizations	33,041	-	33,041	119,479	152,520
	2,595,064	94,595,679	97,190,743	2,036,667	99,227,410
Investment and other income, net	77,407	-	77,407	6,290	83,697
Rental income	3,000	-	3,000	-	3,000
Special event income	-	-	-	261,430	261,430
Net assets released from restrictions	3,057,816	-	3,057,816	(3,057,816)	-
Total Revenue And Public Support	5,733,287	94,595,679	100,328,966	(753,429)	99,575,537
FUNCTIONAL EXPENSES					
Program services	4,726,141	80,201,292	84,927,433	-	84,927,433
Support services:					
Management and general	910,812	-	910,812	-	910,812
Fundraising	1,003,325	-	1,003,325	-	1,003,325
Total Support Services	1,914,137	-	1,914,137	-	1,914,137
Total Functional Expenses	6,640,278	80,201,292	86,841,570	-	86,841,570
	(906,991)	14,394,387	13,487,396	(753,429)	12,733,967
NET ASSETS					
Beginning of year	5,256,855	28,457,264	33,714,119	2,798,743	36,512,862
End of year	$ 4,349,864	$ 42,851,651	$ 47,201,515	$2,045,314	$ 49,246,829

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services				
	Health	Infrastructure	Disaster	Education	Total
Pharmaceuticals, medical equipment and supplies	$170,014,935	-	$3,400,778	-	$173,415,713
Salaries and employee benefits	622,978	$ 100,702	235,089	$ 101,924	1,060,693
Educational materials	-	65,000	-	15,821,102	15,886,102
Grants	71,500	39,800	663,724	129,750	904,774
Miscellaneous	25,579	-	4,979	-	30,558
Packaging and shipping	122,689	-	84,155	3,100	209,944
Consulting and outside services	-	-	-	-	-
Dues and subscriptions	54,721	-	16,106	-	70,827
Utilities and maintenance	75,158	-	-	5,259	80,417
Accounting and insurance	-	-	-	-	-
Office supplies	14,360	-	-	-	14,360
Purchased program supplies	20,294	-	656,713	4,845	681,852
Meals and travel	8,802	-	791	-	9,593
Rent	-	-	-	-	-
Total Expenses Before Depreciation	171,031,016	205,502	5,062,335	16,065,980	192,364,833
Depreciation	78,767	8,330	331	8,276	95,704
Total Functional Expenses	$171,109,783	$ 213,832	$5,062,666	$ 16,074,256	$192,460,537

Support Services			
Management and General	Fundraising	Total	Total
-	-	-	$173,415,713
$ 340,245	$ 370,827	$ 711,072	1,771,765
-	-	-	15,886,102
4,100	-	4,100	908,874
156,929	41,648	198,577	229,135
79	-	79	210,023
21,686	110,068	131,754	131,754
84,217	44,484	128,701	199,528
60,301	7,970	68,271	148,688
104,308	-	104,308	104,308
36,035	66,390	102,425	116,785
-	-	-	681,852
18,512	34,314	52,826	62,419
8,156	-	8,156	8,156
834,568	675,701	1,510,269	193,875,102
141,024	527	141,551	237,255
$ 975,592	$ 676,228	$1,651,820	$194,112,357

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services				
	Health	Infrastructure	Disaster	Education	Total
Pharmaceuticals, medical equipment and supplies	$ 77,291,451	-	$1,912,829	-	$ 79,204,280
Salaries and employee benefits	562,389	$ 45,302	133,467	$ 45,149	786,307
Educational materials	-	-	-	997,012	997,012
Grants	106,100	65,400	1,064,559	33,113	1,269,172
Miscellaneous	49,206	-	37,788	939	87,933
Packaging and shipping	197,944	-	305,916	425	504,285
Consulting and outside services	5,956	76,575	-	-	82,531
Dues and subscriptions	51,788	-	2,718	-	54,506
Utilities and maintenance	65,806	-	-	5,212	71,018
Accounting and insurance	-	-	-	-	-
Donation of property and equipment for Mobile Health Clinic	301,696	-	307,921	-	609,617
Office supplies	22,345	13,005	-	180	35,530
Purchased program supplies	59,386	-	1,009,480	3,689	1,072,555
Meals and travel	5,129	-	2,320	-	7,449
Rent	-	-	-	-	-
Total Expenses Before Depreciation	78,719,196	200,282	4,776,998	1,085,719	84,782,195
Depreciation	99,970	8,330	28,580	8,358	145,238
Total Functional Expenses	$ 78,819,166	$ 208,612	$4,805,578	$1,094,077	$ 84,927,433

Support Services			
Management and General	Fundraising	Total	Total
-	-	-	$ 79,204,280
$ 393,035	$ 443,423	$ 836,458	1,622,765
-	-	-	997,012
5,775	-	5,775	1,274,947
62,946	158,875	221,821	309,754
346	-	346	504,631
11,848	218,951	230,799	313,330
77,952	46,313	124,265	178,771
70,431	7,439	77,870	148,888
107,546	-	107,546	107,546
-	-	-	609,617
41,050	100,220	141,270	176,800
-	-	-	1,072,555
19,416	27,380	46,796	54,245
8,352	-	8,352	8,352
798,697	1,002,601	1,801,298	86,583,493
112,115	724	112,839	258,077
$ 910,812	$ 1,003,325	$1,914,137	$ 86,841,570

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
OPERATING ACTIVITIES		
Changes in net assets	$ (25,507,246)	$ 12,733,967
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	237,255	258,077
Donation of property and equipment for Mobile Health Clinic	-	609,617
Realized and unrealized gain on investment, net	(1,022)	(13,990)
Changes in donated inventory	26,053,656	(14,136,313)
Changes in assets and liabilities:		
Accounts and pledges receivable	(12,612)	(200,787)
Prepaid expenses	8,944	11,602
Accounts payable and accrued liabilities	(52,382)	77,553
Net Cash Provided By (Used In) Operating Activities	726,593	(660,274)
INVESTING ACTIVITIES		
Contributions of investments	(57,723)	(8,938)
Proceeds from sale of investments transferred to cash	56,958	8,552
Purchases of property and equipment	(283,135)	(867,667)
Net Cash Used In Investing Activities	(283,900)	(868,053)
Net Increase (Decrease) In Cash, Cash Equivalents And Restricted Cash	442,693	(1,528,327)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		
Beginning of year	3,586,441	5,114,768
End of year	$ 4,029,134	$ 3,586,441

See notes to financial statements.

THE BROTHER'S BROTHER FOUNDATION
dba BBF GLOBAL RELIEF

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 - ORGANIZATION

The Brother's Brother Foundation, dba BBF Global Relief, (BBF) helps bridge the gap between aid and sustainability by supporting localized programs and providing essential resources in the areas of Healthcare, Infrastructure, Disaster Response and Education (H.I.D.E.). All programs are designed to fulfill BBF's mission by providing aid and developing sustainable projects. BBF has operations in Pittsburgh, Pennsylvania and Maryland.

BBF depends principally upon cash donors, donations of materials and supplies, and third-party reimbursement arrangements to carry out its program activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Assets - BBF classifies and reports net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of BBF and changes therein are classified and reported as follows:

> Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.
>
> Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations. Some donor-imposed stipulations are temporary in nature, such as those that may or will be satisfied by actions of BBF and/or the passage of time. Other donor-imposed stipulations are perpetual in nature, where the donor stipulates that the assets be maintained in perpetuity by BBF.

All unconditional donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is satisfied), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, BBF reports the support as net assets without donor restrictions.

Cash and Cash Equivalents - BBF maintains, in several banks in the United States, cash that may at times exceed federally insured amounts. In addition, BBF considers all highly liquid investments with original maturities of three months or less to be cash equivalents. All cash equivalents held by investment managers are included in investments. BBF also has restricted cash funds that will be used at the direction of the donor for BBF's various programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable - Accounts receivable are primarily composed of program service fees and are recorded at the amount management expects to collect from balances outstanding. BBF evaluates each customer's ability to pay by assessing customer creditworthiness, historical experience and current economic conditions through a reasonable forecast period. Factors considered in the evaluation of collectability and risk include: underlying value of any collateral or security interests, significant past-due balances, historical losses and existing economic conditions, including country and political risk. There can be no assurance that actual results will not differ from estimates or that consideration of these factors in the future will not result in an increase or decrease to the allowance for credit losses. BBF regularly evaluates the collectability of its accounts receivable and maintains reserves for expected credit losses. Estimated credit losses are written off in the period in which they are no longer collectible. As of December 31, 2024 and 2023, no allowance for credit losses is considered necessary.

Pledges Receivable - Receipts of unconditional promises to give with payments due in future periods are recorded as pledges receivable and recognized as increases to net assets at the date of promise. There is no allowance for doubtful accounts. BBF's evaluation of the need for an allowance for doubtful accounts is based on historical collection experience, a review of the current status of outstanding promises to give and judgment. It is reasonably possible that BBF's assessment of the need for an allowance for doubtful accounts may change. As of December 31, 2024, $200,000 of pledge receivable is due in less than one year. As of December 31, 2023, $100,000 of pledge receivable is due in less than one year and $100,000 is due in more than one year.

Investments - Investment securities are carried at fair value based on published quotations, or estimates when such quotations are not available. These valuations may be at other than the current date and are estimated as of the statements of financial position dates. Because of the inherent uncertainty of valuation in the absence of readily ascertainable market values, the estimated values of investments could differ from the values that would have been used had a ready market existed for the investments or if the investments were realized, and the differences could be material. Such investments are, by their nature, generally considered to be long-term investments and are not intended to be liquidated on a short-term basis. Unrealized appreciation and depreciation on investments is reflected within net investment gain or loss in the statements of activities and changes in net assets. Investment gain or loss is reported net of internal and external expenses.

Inventory - Inventory consists of undistributed in-kind materials at year-end. BBF receives a substantial amount of in-kind goods from various regional and national donors, primarily consisting of medical and educational materials. These materials are included in the financial statements at amounts that approximate net realizable value on the date of donation. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic Fair Value Measurement, net realizable value was determined using transactional data in similar markets. See Note 10 - Gifts-In-Kind (GIK) for further valuation information. BBF evaluates the net realizable value of the inventory donated during the year and may make additional adjustments based on the evaluation. During 2024 and 2023, inventory adjustments based on the net realizable value at the date of donation related mostly to BBF's planned decision to destroy medical supplies believed not suitable for distribution, and totaled approximately $2,000,000 and $100,000 for the years ended December 31, 2024 and 2023, respectively. These inventory adjustments are included as in-kind program services on the accompanying statement of activities and changes in net assets, as well as medical equipment and supplies on the accompanying statement of functional expenses.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment - Property and equipment are recorded at the lower of cost or fair value at the date of contribution, with depreciation provided on the straight-line method over estimated useful lives. All purchases of property and equipment over $1,000 are capitalized. Repairs and maintenance that do not extend the lives of the applicable assets are expensed as incurred. Gain or loss from the retirement or other disposition of assets is included in the statement of activities and changes in net assets. Upon identification of indicators of impairment, management first compares the carrying value of its long-lived assets to the undiscounted cash flows of such assets. If the carrying value is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds fair value. Fair values are determined based on quoted market value, discounted cash flows or appraisals, as applicable. There were no such impairments identified during 2024 or 2023.

Public Support and Revenue - BBF is funded by contributions and GIK donations from individuals, foundations, corporations, civic and social clubs and religious organizations. All public support and revenue are considered to be available without donor restriction use unless specifically restricted by the donor. At its discretion, the Board of Directors (Board) may designate funds for specific purposes. There were no Board-designated funds as of December 31, 2024 and 2023.

Program Service Fees - Program service fee revenue consists of billings for shipments of containers to third-world countries and is recognized as revenue at time of the shipment. BBF records the costs of shipping and handling in program services. These costs were approximately $210,000 and $505,000 for the years ended December 31, 2024 and 2023, respectively.

Advertising Costs - Advertising costs are charged to expense during the period in which they are incurred. Total advertising costs were approximately $48,000 and $192,000 for the years ended December 31, 2024 and 2023, respectively.

Income Taxes - BBF is a tax-exempt organization under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC) and is also classified as an entity that is not a private foundation under the meaning of Section 509(a) of the IRC. In addition, BBF has not identified any material uncertain tax positions requiring an accrual or disclosure in the financial statements. BBF is no longer subject to examinations by taxing authorities in any major tax jurisdiction for year before December 31, 2021.

Donated Services - BBF recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. BBF also receives contributed services from volunteers who donate time to BBF's activities. No amounts have been recognized in the accompanying statement of activities and changes in net assets for those services, since they would not have been purchased had they not been donated.

Though Board members have donated a substantial amount of time to the operation of BBF, no amounts have been reflected in the accompanying financial statements for donated services because no objective basis is available to measure the value of such services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events - Subsequent events are defined as events or transactions that occur after the statement of financial position, but before the financial statements are issued or are available to be issued. Management has evaluated subsequent events through June 16, 2025, the date that the financial statements were issued, and determined that there have been no events that have occurred that would require adjustments to disclosures in the financial statements.

NOTE 3 - LIQUIDITY AND AVAILABILITY

BBF receives grants and contributions with donor restrictions to be used in accordance with the stated purpose or associated time restriction. These funds are not available to be used as operating funds in the year received.

BBF maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. BBF manages its cash available to meet general and program expenditures by forecasting future needs and activities, and proactively applying for anticipated funds needed.

BBF's cash flows have seasonal variations during the year, attributable to revenue fluctuations tied to specific events. Grant funds received as restricted due to time or purpose are used accordingly, while other revenue is not restricted and can be accessed for operational requirements.

The table below presents financial assets available for general expenditures within one year at December 31:

	2024	2023
Total financial assets:		
Cash and cash equivalents	$ 2,031,136	$ 1,663,827
Restricted cash and cash equivalents	1,997,998	1,922,614
Accounts and pledges receivable	256,032	243,420
Investments	260,073	258,286
Endowment - Spending rate appropriation	8,370	8,461
	4,553,609	4,296,608
Less donor-imposed restrictions:		
Funds subject to purpose restrictions	1,688,015	1,626,244
Funds restricted in perpetuity	416,488	419,070
	2,104,503	2,045,314
Financial assets available to meet general expenditures	$ 2,449,106	$ 2,251,294

NOTE 4 - INVESTMENTS

Investments are presented in the financial statements at fair value. Fair value and related cost basis at December 31 are as follows:

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money Market Fund	$ 260,073	$ 260,073	$ 256,060	$ 256,060
Stock	-	-	2,226	2,203
Total investments	$ 260,073	$ 260,073	$ 258,286	$ 258,263

Investments are exposed to various risks such as interest rate, market and credit risks. BBF's principal financial instruments subject to credit risk are its investments. The investments are managed by professional advisors subject to BBF's investment policy. The degree and concentration of credit risk vary by type of investment. Due to the level of risk associated with certain investments, it is possible that changes in the values of investments could occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

NOTE 5 - FAIR VALUE MEASUREMENT

BBF has implemented FASB ASC topic Fair Value Measurement, which defines fair value, establishes a framework for its measurement and expands disclosures about fair value measurement. Fair value is the price that would be received to sell an asset or paid to transfer a liability (i.e., exit price) in an orderly transaction between market participants at the measurement date.

BBF discloses the category of assets and liabilities measured at fair value into one of three different levels, depending on the assumptions (i.e., inputs) used in the valuation. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. Financial assets and liabilities are classified in their entirety based on the lowest level of input significant to the fair value measurement. The fair value hierarchy is defined as follows:

Level 1 - Valuations are based on unadjusted quoted prices in an active market for identical assets or liabilities.

Level 2 - Valuations are based on quoted prices for similar assets or liabilities in active markets, or quoted prices in markets that are not active, but for which significant inputs are observable, either directly or indirectly.

Level 3 - Valuations are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management's best estimate of what market participants would use in valuing the asset or liability at the measurement date.

NOTE 5 - FAIR VALUE MEASUREMENT (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of inputs significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

BBF measures fair value based on actively traded markets where prices are either based on direct market quotes or observed transactions, where available. While BBF believes that these valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

The valuations of BBF's investment of money market and stock are classified as Level 1 investment by the fair value hierarchy at December 31, 2024 and 2023. The valuations of BBF's gifts-in-kind inventory is classified as Level 2 by the fair value hierarchy at December 31, 2024 and 2023.

NOTE 6 - INVENTORY

BBF's inventory at December 31 is summarized as follows:

	2024	2023
Pharmaceuticals	$ 14,530,365	$ 40,910,856
Medical equipment and supplies	1,947,417	1,730,126
Educational materials	77,866	73,471
Humanitarian supplies	240,772	135,623
	$ 16,796,420	$ 42,850,076

NOTE 7 - PROPERTY AND EQUIPMENT

BBF's property and equipment at December 31 are summarized as follows:

	2024	2023
Building and improvements	$ 2,988,900	$ 2,873,374
Equipment and furniture	1,359,111	1,221,723
	4,348,011	4,095,097
Less - Accumulated depreciation	1,967,546	1,760,512
	2,380,465	2,334,585
Land	213,201	213,201
Property and equipment, net	$ 2,593,666	$ 2,547,786

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Purpose-restricted net assets with donor restriction at December 31, 2024 and 2023 consisted of approximately $1,688,000 and $1,626,000, respectively, restricted for worldwide health and educational programs. Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose were $2,310,426 and $3,057,816 for the years ended December 31, 2024 and 2023, respectively.

NOTE 9 - ENDOWMENT

The endowment consists of a fund established primarily for programming and operating needs of BBF and includes donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law - The Board of Trustees of BBF has elected to be governed by the Commonwealth of Pennsylvania's Act 141 (Act 141) for the donor-restricted endowment funds. Act 141 is a total return policy that allows a nonprofit to choose to treat a percentage of the average market value of the endowment's permanently restricted investments as income each year. However, the long-term preservation of the real value of the assets must be taken into consideration when the Board elects the amount. On an annual basis, the Board must elect, in writing, a spending rate of between 2% and 7%. This percentage is applied to the average market value of the investments at the end of the prior year. Average market value is based on the previous 12 quarters. BBF classifies as net assets with donor restrictions the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The undistributed amounts earned are included net assets with donor restrictions as well. In accordance with Act 141, BBF has adopted a written investment policy, of which a section specifically relates to the endowment fund. BBF considers the following factors in making a determination to set a spending rate:

1. Protecting the corpus of the endowment fund;
2. Preserving the spending power of the assets;
3. Obtaining maximum investment return with reasonable risk and operational consideration; and
4. Complying with applicable laws.

Change in the endowment fund for the years ended December 31 is represented as follows:

	2024	2023
Endowment net assets beginning of year	$ 419,070	$ 421,371
Investment return:		
Interest income	5,879	6,290
	424,949	427,661
Appropriation of endowment assets for expenditure	(8,461)	(8,591)
Endowment net assets end of year	$ 416,488	$ 419,070

NOTE 9 - ENDOWMENT (Continued)

Return Objectives and Risk Parameters - BBF has adopted investment and spending policies for endowment assets that attempt to provide a stream of funding for programs and initiatives supported by the endowment. The policies are also intended to protect the integrity of the assets and achieve the optimal return possible within the specified risk parameters. Endowment assets include those assets of donor-restricted funds that BBF must hold in perpetuity or for a donor-specified period. Under this policy, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a blended benchmark of equity and fixed-income peer groups.

Strategies Employed for Achieving Objectives - To satisfy its endowment investment objectives, BBF invests in money market funds and relies on a total return strategy in which investment returns are achieved through current yield (interest and dividends).

Spending Policy and How the Investment Objectives Relate to Spending Policy - In accordance with Act 141, and its current investment strategy, BBF annually transfers between 2% and 7% of the previous three years' market value average of the endowment fund to unrestricted net assets for use in operations. In 2024 and 2023, the spendable return totaled 2% or $8,461 and $8,591, respectively. This spending policy is consistent with the Commonwealth of Pennsylvania's guidelines and with BBF's objective to maintain the purchasing power of the endowment assets held in perpetuity.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). BBF has interpreted Act 141 to permit spending from underwater endowments in accordance with prudent measures required under law. BBF has no underwater endowment funds at December 31, 2024 and 2023. The original corpus of the endowment funds is $300,000.

NOTE 10 - GIFTS-IN-KIND

Recognition of donated materials and supplies or GIK revenue is limited to such contributions that BBF takes possession of, or gains constructive title to, as the original recipient; are received and/or handled in partnership with an end-user agency; or are used in Foundation programs. As a practice, BBF does not monetize any of these donations and they are redistributed for charitable purposes. During 2024 and 2023, BBF had two contributors that donated medical materials that aggregated 71% and 78%, respectively, of total contributed materials.

BBF also assists as an agent in the shipment of GIK that are designated for other charitable organizations. The value of these shipments is minimal and is not reflected in the accompanying financial statements, since BBF does not have variance power over these transactions.

NOTE 10 - GIFTS-IN-KIND (Continued)

During the year ended December 31, 2024, BBF updated its valuation methodology for donated pharmaceuticals to utilize 50% of Wholesale Acquisition Cost (WAC) as a primary reference and published reimbursement pricing guidelines from federal (Center for Medicare and Medicaid Services - CMS) and state (West Virginia State Maximum Allowable Cost - WV SMAC) sources as secondary references. For the year ended December 31, 2023, BBF utilized WV SMAC and CMS as primary reference which are deemed level 2 inputs, as defined in Note 5.

For the years ended December 31, 2024 and 2023, the valuation methodology for donated educational materials utilized net price, which according to publishers, is the lowest price at which the title will be available that is deemed a level 2 input, as defined in Note 5. The valuation methodology for donated medical supplies and equipment utilized published pricing guidelines from the Medline third-party website, a global manufacturer and distributor of essential medical supplies, discounted to reflect the value of donated materials compared to new materials. The total of all net prices provided is divided by the total number of units donated to calculate an average cost per unit, which is determined as net realizable value.

GIK recognized within the statement of activities and changes in net assets for the years ended December 31 are as follows (approximately):

Inventory	Program	Donor-imposed Restrictions	2024	2023
Pharmaceuticals	Health	Without Restrictions	$ 137,888,465	$ 85,987,811
Medical equipment and supplies	Health	Without Restrictions	9,307,877	6,370,705
Education materials	Education	Without Restrictions	15,505,999	1,118,071
Humanitarian supplies	Disaster Response	Without Restrictions	221,843	1,119,092
			$ 162,924,184	$ 94,595,679

NOTE 11 - RETIREMENT PLANS

BBF has a noncontributory simplified employee pension plan covering all qualified personnel. Contributions to the plan are determined by BBF but are limited to 15% of the total compensation of the participants for the year. BBF's contributions to the plan approximated $96,000 and $66,000, respectively, for 2024 and 2023.

In addition, BBF has a Section 403(b) plan covering substantially all employees. Participants may contribute up to 15% of their compensation. The plan does not provide for contributions by BBF.

NOTE 12 - ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and support services benefited based on an analysis of the percentage of total revenues and expenses of each program.