

**MELANOMA RESEARCH
ALLIANCE FOUNDATION**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

MELANOMA RESEARCH ALLIANCE FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

**AUDIT
AND
ASSURANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Melanoma Research Alliance Foundation

Opinion

We have audited the financial statements of Melanoma Research Alliance Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of Melanoma Research Alliance Foundation as of December 31, 2021, and the changes in its net assets and its 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 Melanoma Research Alliance Foundation 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Melanoma Research Alliance Foundation's ability to continue as going concern for one year after the date that the financial statements are 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 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 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 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 Melanoma Research Alliance Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Melanoma Research Alliance Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Melanoma Research Alliance Foundation's December 31, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Green Hasson & Janks LLP

May 31, 2022
Los Angeles, California

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF FINANCIAL POSITION

December 31, 2021

With Summarized Totals at December 31, 2020

	2021			Total 2020
	Without Donor Restrictions	With Donor Restrictions	Total	
ASSETS:				
Cash and Cash Equivalents	\$ 12,301,179	\$ 681,244	\$ 12,982,423	\$ 12,346,871
Investments	11,630,333	-	11,630,333	11,413,876
Contributions Receivable (Net)	5,407,970	2,141,246	7,549,216	13,225,054
Prepaid Expenses and Other Assets	105,490	-	105,490	69,028
TOTAL ASSETS	\$ 29,444,972	\$ 2,822,490	\$ 32,267,462	\$ 37,054,829
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts Payable and Accrued Liabilities	\$ 152,043	\$ -	\$ 152,043	\$ 88,858
Grants Payable (Net)	12,382,532	-	12,382,532	13,640,454
Deferred Revenue	609,500	-	609,500	202,000
Due to Related Party	-	-	-	12,976
TOTAL LIABILITIES	13,144,075	-	13,144,075	13,944,288
NET ASSETS:				
Without Donor Restrictions	16,300,897	-	16,300,897	16,890,540
With Donor Restrictions	-	2,822,490	2,822,490	6,220,001
TOTAL NET ASSETS	16,300,897	2,822,490	19,123,387	23,110,541
TOTAL LIABILITIES AND NET ASSETS	\$ 29,444,972	\$ 2,822,490	\$ 32,267,462	\$ 37,054,829

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

With Summarized Totals for the Year Ended December 31, 2020

	2021			Total 2020
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUES, PUBLIC SUPPORT AND OTHER INCOME:				
Contributions	\$ 337,761	\$ 4,448,625	\$ 4,786,386	\$ 5,989,431
Special Events (Net of Cost of Direct Donor Benefits of \$287,177)	2,046,963	-	2,046,963	1,382,366
Sponsorships	459,555	-	459,555	413,256
Investment Return (Net)	236,854	-	236,854	586,718
In-Kind Contributions	82,524	-	82,524	76,859
Write-Off of Uncollectible Contributions Receivable	(101,000)	-	(101,000)	(26,000)
Other Income (Loss)	54,518	-	54,518	(1,094)
Net Assets Released from Donor Restrictions	7,846,136	(7,846,136)	-	-
TOTAL REVENUES, PUBLIC SUPPORT AND OTHER INCOME	10,963,311	(3,397,511)	7,565,800	8,421,536
FUNCTIONAL EXPENSES:				
Program Services	10,429,509	-	10,429,509	14,547,527
Management and General	537,547	-	537,547	573,109
Fundraising	585,898	-	585,898	572,845
TOTAL FUNCTIONAL EXPENSES	11,552,954	-	11,552,954	15,693,481
CHANGE IN NET ASSETS	(589,643)	(3,397,511)	(3,987,154)	(7,271,945)
Net Assets - Beginning of Year	16,890,540	6,220,001	23,110,541	30,382,486
NET ASSETS - END OF YEAR	\$ 16,300,897	\$ 2,822,490	\$ 19,123,387	\$ 23,110,541

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2021

With Summarized Totals for the Year Ended December 31, 2020

	2021							2020 Total
	Program Services			Total Program Services	Supporting Services		Total	
	Scientific Program	Patient Engagement	Other		Management and General	Fundraising		
Research Grants	\$ 8,761,340	\$ -	\$ -	\$ 8,761,340	\$ -	\$ -	\$ 8,761,340	\$ 12,549,005
Personnel Costs	953,107	233,920	12,874	1,199,901	249,817	387,564	1,837,282	1,734,976
Other Expenses	143,241	118,480	-	261,721	128,868	150,181	540,770	484,052
Professional Fees	26,916	9,324	-	36,240	128,862	11,173	176,275	219,379
Occupancy	70,617	23,966	-	94,583	29,460	32,977	157,020	163,426
Travel	43,748	871	-	44,619	540	3,847	49,006	288,349
Meetings, Conferences and Events Production	17,855	13,250	-	31,105	-	156	31,261	254,294
TOTAL 2021 FUNCTIONAL EXPENSES	<u>\$ 10,016,824</u>	<u>\$ 399,811</u>	<u>\$ 12,874</u>	<u>\$ 10,429,509</u>	<u>\$ 537,547</u>	<u>\$ 585,898</u>	<u>\$ 11,552,954</u>	
				90%	5%	5%	100%	
TOTAL 2020 FUNCTIONAL EXPENSES	<u>\$ 14,124,446</u>	<u>\$ 423,081</u>	<u>\$ -</u>	<u>\$ 14,547,527</u>	<u>\$ 573,109</u>	<u>\$ 572,845</u>		<u>\$ 15,693,481</u>
				92%	4%	4%		100%

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF CASH FLOWS

Year Ended December 31, 2021

With Summarized Totals for the Year Ended December 31, 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (3,987,154)	\$ (7,271,945)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Write-Off of Uncollectible Pledges Receivable	101,000	26,000
Change in Present Value Discount - Contributions Receivable	(116,500)	(185,936)
Change in Present Value Discount - Grants Payable	28,287	159,174
Net Realized and Unrealized Gains on Investments	(141,532)	(346,307)
(Increase) Decrease in:		
Contributions Receivable	5,691,338	6,679,813
Prepaid Expenses and Other Assets	(36,462)	39,566
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	63,185	(50,556)
Grants Payable	(1,286,209)	1,232,635
Deferred Revenue	407,500	(83,000)
Due to Related Party	(12,976)	(124,198)
	<u>710,477</u>	<u>75,246</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments	(700,570)	(1,089,315)
Sale of Investments	730,700	1,016,104
Reinvested Interest and Dividends	(105,055)	(136,580)
	<u>(74,925)</u>	<u>(209,791)</u>
NET CASH USED IN INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	635,552	(134,545)
Cash and Cash Equivalents - Beginning of Year	<u>12,346,871</u>	<u>12,481,416</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 12,982,423</u>	<u>\$ 12,346,871</u>

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 1 - NATURE OF ORGANIZATION

Melanoma Research Alliance Foundation (MRA) accelerates the pace of scientific discovery and its translation into effective options for patients in order to eliminate suffering and death due to melanoma. MRA's ultimate goal is to find a cure for this deadly skin cancer.

MRA finds and funds the most promising melanoma research worldwide that will accelerate progress toward a cure. Thanks to the generous ongoing support of its founders, Debra and Leon Black, all public donations to MRA, not designated for other purposes by donor, go directly to melanoma research. Since its inception in 2007, MRA has become the largest private funder of melanoma research. MRA is a 501(c)(3) charity formed under the auspices of The Milken Institute.

MRA's primary program is its worldwide research portfolio. MRA's grants make transforming advances in the prevention, diagnosis, staging, and treatment of melanoma, including research in biological causes of carcinogenesis, skin screening, biomarkers, imaging, immunotherapy, molecularly targeted therapy, and combination therapy. MRA conducts an annual Scientific Retreat and ongoing oversight activities to manage and implement this grants program, and accelerate the pace of discovery. MRA also operates a patient engagement program that supports increased awareness of melanoma, detection and treatment options and enrollment in clinical trials to further advance research and to reduce patient suffering and death.

Collaboration is at MRA's core, from the team approaches to research that it funds, to the way it finds partners who can help realize its vision, including matching funding for research awards to enhance support for the most promising science. MRA is focused on outreach activities to engage people and organizations that share its mission, and counts upon a growing list of allies in the fight against melanoma, helping conduct programs to promote awareness and education about the dangers of melanoma, while garnering additional resources to defeat melanoma through research.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) NET ASSETS

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

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions. All of MRA's net assets without donor restrictions are available for general operations.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) NET ASSETS (continued)

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

(c) CASH AND CASH EQUIVALENTS

MRA has defined cash and cash equivalents as cash in bank and money market accounts with an original maturity of three months or less. The carrying value of cash and cash equivalents at December 31, 2021 approximates its fair value.

MRA maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. MRA has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

(d) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. The fair value of these investments is determined based on the closing price on the last business day of the fiscal year.

Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in the statement of activities and represent the change in the difference between the cost and fair value of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Because of the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position. Investments are made according to the investment policies, guidelines, and objectives adopted by MRA's Board of Directors.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) CONTRIBUTIONS RECEIVABLE

Unconditional promises to give that are expected to be collected within one year are reported at net realizable value. Unconditional promises to give expected to be collected in future years are recorded at fair value using present value techniques. A discount rate of 3.0% has been used to calculate the present value discount on contributions receivable, which amounted to \$69,436 at December 31, 2021. The allowance for uncollectable promises to give is based on historical experience with the respective donors and a review of subsequent collections. At December 31, 2021, all contributions receivable are considered fully collectible; therefore, no allowance for doubtful contributions receivable has been established.

(f) REVENUE RECOGNITION AND DEFERRED REVENUE

Contributions. MRA recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Sponsorships. Contributions received under sponsorship agreements are typically for MRA's Annual Scientific Retreat (the Retreat) and are recognized as income in accordance with the terms of the related agreements. Sponsorship contributions received for the purpose of underwriting the costs of the Retreat, or containing other specific measurable performance or other barriers and a right of return, are recognized as income in the period in which the related Retreat is held. Sponsorships received with no specific barriers and right of return are recognized in the year received.

In-Kind Contributions. Contributions of donated non-cash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, were provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

(g) GRANTS

Unconditional grants are charged against operations when authorized by the Board of Directors, approved by the Chief Executive Officer, and executed by grantee, showing agreement to MRA grant terms. The actual payment of the grant may not occur in the year of authorization. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments. At December 31, 2021, a discount rate of 3% was applied to grants payable due beyond one year.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) INCOME TAXES

MRA is exempt from taxation under Internal Revenue Code Section 501(c)(3) and the corresponding state provisions.

In accordance with the Financial Accounting Standards Board's (FASB's) Accounting Standards Codification Topic No. 740, *Uncertainty in Income Taxes*, MRA recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended December 31, 2021, MRA performed an evaluation of uncertain tax positions and did not note any matters that would require recognition in the financial statements or which might have an effect on its tax-exempt status.

(i) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing MRA's research programs, patient engagement program, and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. MRA uses functional time estimates to allocate indirect costs.

(j) 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 reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented. Accordingly, actual results could differ from those estimates.

(k) COMPARATIVE TOTALS

The financial statements include certain prior-period summarized financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such financial information should be read in conjunction with MRA's financial statements for the year ending December 31, 2020 from which the summarized financial information was derived.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) NEW ACCOUNTING PRONOUNCEMENTS

In February 2016, FASB issued Accounting Standard Update (ASU) No. 2016-02, *Leases*, which is intended to improve financial reporting about leasing transactions. The new standard will require organizations that lease assets with terms of more than 12 months to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by those leases. The ASU also will require disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements and provide additional information about the amounts recorded in the financial statements. For MRA, the ASU will be effective for the year ending December 31, 2022.

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU is intended to improve transparency in the reporting of contributed nonfinancial assets (also known as gifts-in-kind) received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. For MRA, the ASU will be effective for the year ending December 31, 2022.

(m) SUBSEQUENT EVENTS

MRA has evaluated events and transactions occurring subsequent to the statement of financial position date of December 31, 2021, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through May 31, 2022 the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

MRA has implemented the fair value accounting standard. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets (or liabilities). Fair values determined by Level 2 inputs utilize data points that are observable, such as quoted prices, interest rates, and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset (or liability) and include situations where there is little, if any, market activity for the asset (or liability).

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following table presents information about MRA's assets that are measured at fair value on a recurring basis at December 31, 2021, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Year Ended December 31, 2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Cash Equivalents	\$ 6,694,816	\$ 6,694,816	\$ -	\$ -
Exchange-Traded Funds:				
Equities	1,760,490	1,760,490	-	-
Bonds	1,568,638	1,568,638	-	-
Fixed Income Mutual Funds	1,606,389	1,606,389	-	-
TOTAL INVESTMENTS	\$ 11,630,333	\$ 11,630,333	\$ -	\$ -

The fair values of exchange-traded funds and mutual funds within Level 1 inputs were obtained based on quoted market prices at the closing of the last business day of the fiscal year. The cost of cash equivalents approximates their fair value.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at December 31, 2021, are expected to be collected as follows:

Within One Year	\$ 5,477,406
In One to Five Years	2,141,246
TOTAL	7,618,652
Less: Present Value Discount	(69,436)
CONTRIBUTIONS RECEIVABLE (NET)	\$ 7,549,216

NOTE 5 - GRANTS PAYABLE

Grants payable at December 31, 2021 is expected to be paid as follows:

To be Paid within One Year	\$ 8,019,635
To be Paid in Two to Five Years	4,493,784
TOTAL	12,513,419
Less: Present Value Discount	(130,887)
GRANTS PAYABLE (NET)	\$ 12,382,532

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 6 - RELATED PARTIES

MRA was formed under the auspices of The Milken Institute (the Institute). MRA reimburses the Institute for certain services that the Institute performs on behalf of MRA. At December 31, 2021, no amounts were due to the Institute.

MRA leases office space and equipment from the Institute under an operating lease that expired in June 2013. Since its expiration, MRA leases this office space on a month-to-month basis. Rent expense under this operating lease for the year ended December 31, 2021, amounted to \$147,835.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2021:

Subject to Expenditure for Specified Purpose:	
RARE Melanoma Registry	\$ 6,244
Scientific Awards	<u>675,000</u>
TOTAL SUBJECT TO EXPENDITURE FOR SPECIFIED PURPOSE	681,244
Subject to the Passage of Time:	
Contributions Receivable	<u>2,141,246</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 2,822,490</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2021:

Expiration of Specified Time Period:	
Time Restricted Contributions Receivable	\$ 6,487,380
Satisfaction of Purpose Restrictions:	
Dermatology Fellowships	385,000
Young Investigator Awards	900,000
RARE Melanoma Registry	<u>73,756</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 7,846,136</u>

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE 8 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by MRA at December 31, 2021, and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at December 31, 2021:	
Cash and Cash Equivalents	\$ 12,301,179
Investments	11,630,333
Contributions Receivable (Net)	<u>5,407,970</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 29,339,482</u>

MRA regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of MRA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

MRA has various sources of liquidity at its disposal, including cash and cash equivalents, investments, and contributions receivable. For purposes of analyzing resources available to meet general expenditures over a 12-month period, MRA considers contributions receivable expected to be collected in the next fiscal year as available for general expenditures. General expenditures are defined as including grants to be paid within one year of the date of the statement of financial position.

MRA's investments consist of cash and cash equivalents and various mutual and exchange-traded funds. All of the investments are highly liquid and available to be used for general expenditures as necessary.