

**MELANOMA RESEARCH
ALLIANCE FOUNDATION**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

MELANOMA RESEARCH ALLIANCE FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

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THE GLOBAL ADVISORY
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**AUDIT
AND
ASSURANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Melanoma Research Alliance Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Melanoma Research Alliance Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the associated notes to the financial statements.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Melanoma Research Alliance Foundation as of December 31, 2020, 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.

To the Board of Directors
Melanoma Research Alliance Foundation
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Report on Summarized Comparative Information

We have previously audited Melanoma Research Alliance Foundation's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 5, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Green Hasson & Janks LLP

April 29, 2021
Los Angeles, California

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF FINANCIAL POSITION

December 31, 2020

With Summarized Totals at December 31, 2019

	2020			Total 2019
	Without Donor Restrictions	With Donor Restrictions	Total	
ASSETS:				
Cash and Cash Equivalents	\$ 11,636,871	\$ 710,000	\$ 12,346,871	\$ 12,481,416
Investments	11,413,876	-	11,413,876	10,857,778
Contributions Receivable (Net)	7,715,053	5,510,001	13,225,054	19,744,931
Prepaid Expenses and Other Assets	69,028	-	69,028	108,594
	TOTAL ASSETS	\$ 6,220,001	\$ 37,054,829	\$ 43,192,719
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts Payable and Accrued Liabilities	\$ 88,858	\$ -	\$ 88,858	\$ 139,414
Grants Payable (Net)	13,640,454	-	13,640,454	12,248,645
Deferred Revenue	202,000	-	202,000	285,000
Due to Related Party	12,976	-	12,976	137,174
	TOTAL LIABILITIES	-	13,944,288	12,810,233
NET ASSETS:				
Without Donor Restrictions	16,890,540	-	16,890,540	17,045,668
With Donor Restrictions	-	6,220,001	6,220,001	13,336,818
	TOTAL NET ASSETS	6,220,001	23,110,541	30,382,486
TOTAL LIABILITIES AND NET ASSETS	\$ 30,834,828	\$ 6,220,001	\$ 37,054,829	\$ 43,192,719

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

With Summarized Totals for the Year Ended December 31, 2019

	2020			Total 2019
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUES, PUBLIC SUPPORT AND OTHER INCOME:				
Contributions	\$ 2,330,181	\$ 3,659,250	\$ 5,989,431	\$ 2,572,862
Special Events (Net of Cost of Direct Donor Benefits of \$27,109)	1,382,366		1,382,366	18,753,320
Sponsorships	413,256	-	413,256	490,000
Investment Return (Net)	586,718	-	586,718	820,089
In-Kind Contributions	76,859	-	76,859	399,679
Write-Off of Uncollectible Pledges Receivable	(26,000)	-	(26,000)	(10,510)
Other Income (Loss)	(1,094)	-	(1,094)	32,061
Net Assets Released from Donor Restrictions	10,776,067	(10,776,067)	-	-
TOTAL REVENUES, PUBLIC SUPPORT AND OTHER INCOME	15,538,353	(7,116,817)	8,421,536	23,057,501
FUNCTIONAL EXPENSES:				
Program Services	14,547,527	-	14,547,527	11,188,509
Management and General	573,109	-	573,109	521,173
Fundraising	572,845	-	572,845	489,448
TOTAL FUNCTIONAL EXPENSES	15,693,481	-	15,693,481	12,199,130
CHANGE IN NET ASSETS	(155,128)	(7,116,817)	(7,271,945)	10,858,371
Net Assets - Beginning of Year	17,045,668	13,336,818	30,382,486	19,524,115
NET ASSETS - END OF YEAR	<u>\$ 16,890,540</u>	<u>\$ 6,220,001</u>	<u>\$ 23,110,541</u>	<u>\$ 30,382,486</u>

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

With Summarized Totals for the Year Ended December 31, 2019

	2020						2019 Total
	Program Services			Supporting Services			
	Scientific Program	Patient Engagement	Total Program Services	Management and General	Fundraising	Total	
Research Grants	\$ 12,549,005	\$ -	\$ 12,549,005	\$ -	\$ -	\$ 12,549,005	\$ 9,265,006
Personnel Costs	750,241	325,377	1,075,618	232,560	426,798	1,734,976	1,592,119
Other Expenses	227,680	60,725	288,405	149,538	46,109	484,052	364,228
Travel	279,806	3,045	282,851	817	4,681	288,349	384,245
Meetings, Conferences and Events Production	228,134	-	228,134	-	26,160	254,294	253,609
Professional Fees	24,636	4,812	29,448	162,831	27,100	219,379	171,928
Occupancy	64,944	29,122	94,066	27,363	41,997	163,426	167,995
TOTAL 2020 FUNCTIONAL EXPENSES	\$ 14,124,446	\$ 423,081	\$ 14,547,527	\$ 573,109	\$ 572,845	\$ 15,693,481	
			92%	4%	4%	100%	
TOTAL 2019 FUNCTIONAL EXPENSES	\$ 10,792,085	\$ 396,424	\$ 11,188,509	\$ 521,173	\$ 489,448		\$ 12,199,130
			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, 2020

With Summarized Totals for the Year Ended December 31, 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (7,271,945)	\$ 10,858,371
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used in (Provided by) Operating Activities:		
Write-Off of Uncollectible Pledges Receivable	26,000	10,510
Change in Present Value Discount - Contributions Receivable	(185,936)	122,528
Change in Present Value Discount - Grants Payable	159,174	(204,449)
Net Realized and Unrealized Gains on Investments	(346,307)	(513,657)
(Increase) Decrease in:		
Contributions Receivable	6,679,813	(6,143,307)
Prepaid Expenses and Other Assets	39,566	(57,191)
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	(50,556)	74,100
Grants Payable	1,232,635	(4,841,083)
Deferred Revenue	(83,000)	5,000
Due to Related Party	(124,198)	28,015
	<u>75,246</u>	<u>(661,163)</u>
NET CASH USED IN (PROVIDED BY) OPERATING ACTIVITIES	75,246	(661,163)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Purchase of Investments	(1,089,315)	(781,625)
Sale of Investments	1,016,104	870,565
Reinvested Interest and Dividends	(136,580)	(245,678)
	<u>(209,791)</u>	<u>(156,738)</u>
NET CASH USED IN INVESTING ACTIVITIES	(209,791)	(156,738)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(134,545)	(817,901)
Cash and Cash Equivalents - Beginning of Year	<u>12,481,416</u>	<u>13,299,317</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 12,346,871</u>	<u>\$ 12,481,416</u>

The Accompanying Notes are an Integral Part of These Financial Statements

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

NOTE 1 - NATURE OF ORGANIZATION

The 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, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) NET ASSETS (continued)

- **Net Assets With Donor Restrictions.** Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or a stipulated purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. 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, 2020 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 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, 2020

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 \$185,936 at December 31, 2020. 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, 2020, 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

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, 2020, a discount rate of 3% was applied to grants payable due beyond one year.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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, 2020, 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, 2019 from which the summarized financial information was derived.

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) NEW ACCOUNTING PRONOUNCEMENTS

In February 2016, FASB issued 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, 2020, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through April 29, 2021 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, 2020

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, 2020, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Year Ended December 31, 2020	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	\$ 6,559,630	\$ 6,559,630	\$ -	\$ -
Exchange-Traded Funds:				
Equities	1,731,331	1,731,331	-	-
Bonds	1,596,151	1,596,151	-	-
Fixed Income Mutual Funds	1,526,764	1,526,764	-	-
TOTAL INVESTMENTS	\$ 11,413,876	\$ 11,413,876	\$ -	\$ -

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, 2020, are expected to be collected as follows:

Within One Year	\$ 7,900,989
In One to Five Years	<u>5,510,001</u>
TOTAL	13,410,990
Less: Present Value Discount	<u>(185,936)</u>
CONTRIBUTIONS RECEIVABLE (NET)	<u>\$ 13,225,054</u>

NOTE 5 - GRANTS PAYABLE

Grants payable at December 31, 2020 is expected to be paid as follows:

To be Paid within One Year	\$ 8,334,643
To be Paid in One to Five Years	<u>5,464,985</u>
TOTAL	13,771,609
Less: Present Value Discount	<u>(159,174)</u>
GRANTS PAYABLE (NET)	<u>\$ 13,640,454</u>

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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, 2020, \$12,976 was due to the Institute and is included in the due to related party balance on the statement of financial position. The balance is unsecured, non-interest-bearing, and expected to be settled within the ordinary course of business.

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, 2020, amounted to \$149,405.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2019:

Subject to Expenditure for Specified Purpose:	
Dermatology Fellowships	\$ 35,000
Scientific Awards	<u>675,000</u>
TOTAL SUBJECT TO EXPENDITURE FOR SPECIFIED PURPOSE	710,000
Subject to the Passage of Time:	
Contributions Receivable	<u>5,510,001</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 6,220,001</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, 2020:

Expiration of Specified Time Period:	
Time Restriction	\$ 6,606,067
Satisfaction of Purpose Restrictions:	
Dermatology Fellowships	450,000
Scientific Awards	3,550,000
Patient Engagement	100,000
Other	<u>70,000</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 10,776,067</u>

MELANOMA RESEARCH ALLIANCE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

NOTE 8 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by MRA at December 31, 2020, 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, 2020	
Cash and Cash Equivalents	\$ 11,636,871
Investments	11,413,876
Contributions Receivable (Net)	<u>7,715,053</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 30,765,800</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 pledges restricted by time only and 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.