

Midwest Athletes Against Childhood Cancer, Inc.

Financial Statements

Years Ended December 31, 2020 and 2019



Midwest Athletes Against Childhood Cancer, Inc.

Years Ended December 31, 2020 and 2019

Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Cash Flows.....	5
Statements of Functional Expenses.....	6
Notes to Financial Statements.....	8

Independent Auditor's Report

Board of Directors
Midwest Athletes Against Childhood Cancer, Inc.
Milwaukee, Wisconsin

We have audited the accompanying financial statements of Midwest Athletes Against Childhood Cancer, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related 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; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 Midwest Athletes Against Childhood Cancer, Inc. as of December 31, 2020 and 2019, 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.

Wipfli LLP

Wipfli LLP
Milwaukee, Wisconsin

March 30, 2021

Midwest Athletes Against Childhood Cancer, Inc.

Statements of Financial Position

December 31, 2020 and 2019

Assets	2020	2019
Current assets:		
Cash and cash equivalents	\$ 1,034,505	\$ 637,885
Investments	8,190,897	6,475,317
Accounts receivable	50,625	54,200
Promises to give - Net of allowance for doubtful promises of \$6,500	369,211	658,391
Prepays and other assets	74,153	74,115
Total current assets	9,719,391	7,899,908
Furniture and office equipment - Net of accumulated depreciation of \$49,196 and \$51,347 at December 31, 2020 and 2019, respectively	6,857	14,055
TOTAL ASSETS	\$ 9,726,248	\$ 7,913,963
Liabilities and Net Assets	2020	2019
Current liabilities:		
Accounts payable	\$ 4,467	\$ 2,755
Contract liabilities	3,386	100
Accrued liabilities	-	116,495
Total current liabilities	7,853	119,350
Net assets:		
Without donor restrictions	9,313,584	7,100,622
With donor restrictions	404,811	693,991
Total net assets	9,718,395	7,794,613
TOTAL LIABILITIES AND NET ASSETS	\$ 9,726,248	\$ 7,913,963

See accompanying notes to financial statements.

Midwest Athletes Against Childhood Cancer, Inc.

Statements of Activities

Year Ended December 31, 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:						
Proceeds from fundraising activities:						
Contributions	\$ 3,149,229	\$ 352,646	\$ 3,501,875	\$ 3,208,308	\$ 273,405	\$ 3,481,713
Special event revenue	117,874	-	117,874	286,027	-	286,027
Less - Costs of direct benefits to donors	(101,964)	-	(101,964)	(291,098)	-	(291,098)
Net proceeds from fundraising activities	3,165,139	352,646	3,517,785	3,203,237	273,405	3,476,642
Contributions:						
Foundations	564,369	15,000	579,369	350,750	45,000	395,750
Memorials and bequests	217,542	100	217,642	217,113	9,045	226,158
General and major gifts	1,900,667	7,965	1,908,632	429,361	3,442	432,803
Total contributions	2,682,578	23,065	2,705,643	997,224	57,487	1,054,711
Investment income - Net	610,611	-	610,611	975,878	-	975,878
Net assets released from restrictions	664,891	(664,891)	-	894,835	(894,835)	-
Total revenue and support	7,123,219	(289,180)	6,834,039	6,071,174	(563,943)	5,507,231
Expenses:						
Program	495,262	-	495,262	475,194	-	475,194
Direct fundraising	456,330	-	456,330	394,210	-	394,210
Indirect fundraising	125,990	-	125,990	111,864	-	111,864
Administrative and general	162,675	-	162,675	149,861	-	149,861
Total expenses	1,240,257	-	1,240,257	1,131,129	-	1,131,129
Excess of revenue and support over expenses before research contributions	5,882,962	(289,180)	5,593,782	4,940,045	(563,943)	4,376,102
Research contributions	(3,670,000)	-	(3,670,000)	(3,462,390)	-	(3,462,390)
Change in net assets	2,212,962	(289,180)	1,923,782	1,477,655	(563,943)	913,712
Net assets at beginning	7,100,622	693,991	7,794,613	5,622,967	1,257,934	6,880,901
Net assets at end	\$ 9,313,584	\$ 404,811	\$ 9,718,395	\$ 7,100,622	\$ 693,991	\$ 7,794,613

See accompanying notes to financial statements.

Midwest Athletes Against Childhood Cancer, Inc.

Statements of Cash Flows

Years Ended December 31, 2020 and 2019

	2020	2019
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	\$ 1,923,782	\$ 913,712
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation expense	7,198	10,498
Net realized and unrealized gains on investments	(522,881)	(847,944)
Donated investments received	(913,509)	(10,520)
Donated other assets received	-	(50,840)
Changes in operating assets and liabilities:		
Accounts receivable	3,575	(6,648)
Promises to give	289,180	563,943
Prepays and other assets	(38)	16,230
Accounts payable	1,712	(4,843)
Research contributions payable	-	(875,000)
Contract liabilities	3,286	(1,650)
Accrued liabilities	(116,495)	(199,705)
Net cash and cash equivalents provided by (used in) operating activities	675,810	(492,767)
Cash flows from investing activities:		
Purchases of equipment	-	(10,854)
Purchases of investments	(2,721,368)	(2,098,427)
Proceeds from sales of investments	2,442,178	2,111,079
Net cash and cash equivalents (used in) provided by investing activities	(279,190)	1,798
Increase (decrease) in cash and cash equivalents	396,620	(490,969)
Cash and cash equivalents at beginning	637,885	1,128,854
Cash and cash equivalents at end	\$ 1,034,505	\$ 637,885

See accompanying notes to financial statements.

Midwest Athletes Against Childhood Cancer, Inc.

Statements of Functional Expenses

Year Ended December 31, 2019

	Program	Cost of Direct Benefits to Donors	Direct Fundraising	Indirect Fundraising	Administrative and General	Total
Research contributions	\$ 3,670,000	\$ -	\$ -	\$ -	\$ -	\$ 3,670,000
Salaries and wages	215,376	-	167,515	47,861	47,861	478,613
Payroll taxes and employee benefits	159,675	-	124,192	35,484	35,484	354,835
Outside services	37,181	-	34,702	18,590	33,463	123,936
Occupancy	-	-	13,200	4,950	14,850	33,000
Telephone and internet	1,763	-	2,409	646	1,058	5,876
Supplies and printing	4,076	-	2,445	815	815	8,151
Postage and deliveries	3,262	-	4,241	326	326	8,155
Travel	15,108	-	8,158	1,511	5,439	30,216
Insurance	-	-	9,107	7,589	13,660	30,356
Repairs and maintenance	-	-	-	822	672	1,494
Participant awards, food, and entertainment	2,206	8,822	-	-	-	11,028
Auction and promotional items	48,193	64,321	20,250	1,148	3,445	137,357
Publicity	3,692	-	3,692	-	-	7,384
Equipment and facility rental	4,730	10,722	-	158	158	15,768
Miscellaneous, in-kind donations, and event sundries	-	18,099	-	190	759	19,048
Licenses and fees	-	-	41,931	4,820	1,446	48,197
Depreciation	-	-	2,879	1,080	3,239	7,198
Sales taxes	-	-	21,609	-	-	21,609
Total expenses by function	4,165,262	101,964	456,330	125,990	162,675	5,012,221
Less expenses reported separately on the statements of activities:						
Cost of direct benefits to donors	-	(101,964)	-	-	-	(101,964)
Research contributions	(3,670,000)	-	-	-	-	(3,670,000)
Total expenses included in the expenses section on the statement of activities	\$ 495,262	\$ -	\$ 456,330	\$ 125,990	\$ 162,675	\$ 1,240,257

Midwest Athletes Against Childhood Cancer, Inc.

Statements of Functional Expenses (Continued)

Year Ended December 31, 2019

	Program	Cost of Direct Benefits to Donors	Direct Fundraising	Indirect Fundraising	Administrative and General	Total
Research contributions	\$ 3,462,390	\$ -	\$ -	\$ -	\$ -	\$ 3,462,390
Salaries and wages	167,068	-	129,942	37,126	37,126	371,262
Payroll taxes and employee benefits	131,920	-	102,604	29,316	29,316	293,156
Outside services	39,747	-	37,097	19,874	35,772	132,490
Occupancy	-	-	13,200	4,950	14,850	33,000
Telephone and internet	1,699	-	2,321	623	1,019	5,662
Supplies and printing	8,229	-	4,937	1,646	1,646	16,458
Postage and deliveries	2,469	-	3,210	247	247	6,173
Travel	6,808	-	3,676	681	2,451	13,616
Insurance	-	-	8,722	7,268	13,083	29,073
Repairs and maintenance	-	-	-	493	404	897
Participant awards, food, and entertainment	25,571	102,280	-	-	-	127,851
Auction and promotional items	59,797	83,715	-	1,495	4,485	149,492
Publicity	11,573	-	11,573	-	-	23,146
Equipment and facility rental	20,313	46,043	-	677	677	67,710
Miscellaneous, in-kind donations, and event sundries	-	59,060	-	621	2,479	62,160
Licenses and fees	-	-	45,866	5,272	1,582	52,720
Depreciation	-	-	4,199	1,575	4,724	10,498
Sales taxes	-	-	26,863	-	-	26,863
Total expenses by function	3,937,584	291,098	394,210	111,864	149,861	4,884,617
Less expenses reported separately on the statements of activities:						
Cost of direct benefits to donors	-	(291,098)	-	-	-	(291,098)
Research contributions	(3,462,390)	-	-	-	-	(3,462,390)
Total expenses included in the expenses section on the statement of activities	\$ 475,194	\$ -	\$ 394,210	\$ 111,864	\$ 149,861	\$ 1,131,129

See accompanying notes to financial statements.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Activities

Midwest Athletes Against Childhood Cancer, Inc. (the “MACC Fund” or the “Organization”) is a nonprofit organization created for the sole purpose of supporting research with respect to treatments and cures for childhood cancer and other related blood disorders. To accomplish this purpose, the MACC Fund seeks public support through various fundraising projects and events, and from direct contributions. The MACC Fund supports research at the Medical College of Wisconsin in the MACC Fund Research Center, at the Carbone Cancer Center of the University of Wisconsin in the MACC Fund UW Childhood Cancer Research Wing, at the MACC Fund Center at Children’s Hospital of Wisconsin, and at the Marshfield Clinic.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”).

Use of Estimates

The preparation of the accompanying financial statements in accordance with GAAP requires management to make certain estimates and assumptions that directly affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit 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.

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Investments and Investment Income

Investments are measured at fair value in the accompanying statements of financial position. Donated investments are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which is considered a fair measure of the value at the date of the donation).

Investment income (including realized and unrealized gains and losses, interest, and dividends) is reported as revenue without donor restrictions unless the income is restricted by donor or law. Realized gains or losses are determined by specific identification. Investment expenses, including direct internal investment expenses, if any, are netted with return on the statements of activities.

Accounts Receivable

Accounts receivable are generally unconditional donations, without donor restrictions, that have been collected by a third-party online credit card processing agency but that have not yet been remitted to the MACC Fund as of December 31, 2020 and 2019. The Organization considers these receivables to be fully collectible and, therefore, no allowance for uncollectible amounts has been recorded. If an account becomes uncollectible, it will be written off at that time.

Furniture and Office Equipment

Furniture and office equipment is stated at cost if purchased or fair value at date of gift if donated and capitalized. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Estimated lives of furniture and office equipment are three to five years. Expenditures for repairs and maintenance costs are expensed as incurred.

The MACC Fund reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the MACC Fund reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the programs and supporting services benefited. Salaries and wages, payroll taxes and employee benefits, and outside services have been allocated based on time spent. Occupancy and depreciation have been allocated based on square footage. All other expenses have been allocated based upon utilization.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Special Event Revenue from Contracts with Customers

The exchange portion of proceeds from certain fundraising activities represent the Organization's only source of revenues from contracts with customers. Fundraising events include bike rides, golf outings, and other sporting and recreational events. The Organization's contracts related to fundraising activities include a performance obligation for event hosting. The Organization's fundraising activities are single-day events and proceeds are recognized on the date the fundraising event obligation is satisfied by delivery or performance of services. The Organization determines the base transaction price based on similar events and may provide discounts for early registration to certain events.

Generally, payment is due from customers upon registration for an event or by the date of the event. Refunds of registration fees are subject to Organization approval. Registration for events is generally limited to less than one-year in advance of the event.

Because the Organization's performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The Organization rarely has material unsatisfied or partially unsatisfied performance obligations at fiscal year-end. Advance registrations are recorded as contract liabilities and the proceeds are not recognized in revenue until the performance obligation is satisfied as described above.

The Organization records sales taxes on a gross basis (included in expenses). Total sales taxes for 2020 and 2019 were \$21,610 and \$26,863, respectively.

Contributions and Promises to Give

Contributions and promises to give are evaluated to determine if they contain conditions prior to recognizing revenue. Unconditional contributions are recognized as revenue when cash or other assets are received. Unconditional promises to give are recognized as revenue and a receivable when the promise is received from the donor. Conditional contributions, promises to give, and indications of intentions to give are reported at fair value at the date the gift is deemed unconditional. Assets received for which the condition has not been satisfied are recorded as grant advance liability. At December 31, 2020 and 2019, the Organization has no grant advance liabilities.

Donor contributions are received through fundraising events and activities sponsored by the MACC Fund as well as events and activities sponsored by other organizations. The gifts are reported as donor-restricted if they are received with donor stipulations that limit the time or use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as without donor restrictions in the accompanying financial statements.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Promises to give whose eventual uses are restricted by the donors are recorded as increases in net assets with donor restrictions. Promises to give without a purpose restriction to be collected in future periods are also recorded as an increase to net assets with donor restrictions and reclassified to net assets without donor restrictions when received.

Management periodically reviews all past due promises to give and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of promises to give are reduced by allowances that reflect management's estimate of uncollectible amounts. Promises to give are anticipated to be collected within the next year.

Donations In-Kind and Contributed Goods

Material gifts in-kind used to operate the Organization's programs and donated goods distributed, including auction items and raffle prizes, are recorded as income and expense at the donor's estimated fair value at the time the items are placed into service or distributed.

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

The Organization maintains an agreement with the Medical College of Wisconsin to occupy, at no charge, 1,500 square feet of office space. The fair value of the donated space was estimated at \$33,000 in 2020 and 2019 and has been recorded as contribution revenue and occupancy expense in the accompanying statements of activities.

Promotional Costs

Promotional costs are expensed as incurred. Promotional costs charged to expense in 2020 and 2019 were \$65,792 and \$149,669, respectively.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Organization is also exempt from state taxes on related income.

The Organization recognizes the benefit of a tax position only after determining whether it is more likely than not that the taxing authority would sustain the tax position upon examination of the technical merits of the tax position assuming the taxing authority has full knowledge of all information. The Organization has recorded no assets or liabilities related to uncertain tax positions.

Subsequent Events

Subsequent events have been evaluated through March 30, 2021, which is the date the financial statements were available to be issued.

Note 2: Investments

Investments recorded in the accompanying statements of financial position consisted of the following:

<i>As of December 31,</i>	2020	2019
Equities	\$ 4,104,944	\$ 2,575,786
Fixed income mutual funds	3,187,291	2,672,729
Equity mutual funds	898,662	1,226,802
Total investments	\$ 8,190,897	\$ 6,475,317

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Net investment income (loss) was as follows:

<i>Years Ended December 31,</i>	2020	2019
Interest and dividends	\$ 142,888	\$ 181,932
Net realized gains	75,276	49,094
Net unrealized gains	447,605	798,850
Investment expenses	(55,158)	(53,998)
Total net investment income	\$ 610,611	\$ 975,878

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 3: Fair Value Measurements

Information regarding assets measured at fair value on a recurring basis is as follows:

	Total Assets at Fair Value	Recurring 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)
<i>As of December 31, 2020</i>				
Equities:				
U.S. equities	\$ 2,053,775	\$ 2,053,775	\$ -	\$ -
Developed foreign equities	520,200	520,200	-	-
Exchange-traded funds	1,530,969	1,530,969	-	-
Mutual funds:				
Fixed income funds	3,187,291	3,187,291	-	-
Equity funds	311,942	311,942	-	-
Emerging foreign funds	231,476	231,476	-	-
Real estate funds	283,669	283,669	-	-
Commodities	71,575	71,575	-	-
Totals	\$ 8,190,897	\$ 8,190,897	\$ -	\$ -

	Total Assets at Fair Value	Recurring 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)
<i>As of December 31, 2019</i>				
Equities:				
U.S. equities	\$ 1,102,129	\$ 1,102,129	\$ -	\$ -
Developed foreign equities	489,829	489,829	-	-
Exchange-traded funds	983,828	983,828	-	-
Mutual funds:				
Fixed income funds	2,672,729	2,672,729	-	-
Equity funds	557,182	557,182	-	-
Emerging foreign funds	280,823	280,823	-	-
Real estate funds	318,080	318,080	-	-
Commodities	70,717	70,717	-	-
Totals	\$ 6,475,317	\$ 6,475,317	\$ -	\$ -

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 3: Fair Value Measurements (Continued)

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- Equities are valued at the closing price reported on the active market on which the individual securities are traded.
- Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 4: Contract Balances

Opening and closing balances for contract assets, contract liabilities, and accounts receivable arising from contracts with customers include:

<i>As of</i>	December 31, 2020	December 31, 2019	January 1, 2019
Contract liabilities	\$ 3,386	\$ 100	\$ 1,750

Contract assets arise when the Organization transfers goods or services to a customer in advance of receiving consideration and the right to consideration is conditioned on something other than the passage of time, such as work in process or unbilled receivables. Contract assets are transferred to receivables when the right to receive consideration becomes unconditional and the Organization is able to invoice the customer. As of December 31, 2020 and 2019, and as of January 1, 2019, the Organization did not have any contract assets or receivables. Contract liabilities represent the Organization's obligation to transfer goods or services to a customer when consideration has already been received from the customer, such as deferred revenue. When transfer of control of the related good or service occurs, contract liabilities are reclassified, and revenue is recognized.

Note 5: Disaggregation of Revenues from Contracts with Customers

The Organization's revenues from contracts with customers are accounted for at the point in time when control of the goods or services transfers to the customer and the Organization's performance obligation is satisfied. Revenue from contracts with customers recognized at a point in time consist of the exchange-portion of special event proceeds and totaled \$117,874 and \$286,027 for the years ended December 31, 2020 and 2019, respectively.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 6: Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

<i>As of December 31,</i>	2020	2019
Subject to the passage of time - Unconditional promises to give	\$ 369,211	\$ 658,391
Subject to expenditure for specific purpose - Childhood cancer and other related blood disorders research fellowships	35,600	35,600
Total net assets with donor restrictions	\$ 404,811	\$ 693,991

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

Note 7: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date comprise the following:

<i>As of December 31,</i>	2020	2019
Cash and cash equivalents	\$ 1,034,505	\$ 637,885
Investments	8,190,897	6,475,317
Accounts receivable	50,625	54,200
Unconditional promises to give	369,211	658,391
Total financial assets	9,645,238	7,825,793
Less - Restricted program contributions included in cash and cash equivalents	(35,600)	(35,600)
Total financial assets available for general expenditure	\$ 9,609,638	\$ 7,790,193

The Organization does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and cash equivalents and investments for approximately two years of expected contributions for research.

Note 8: Retirement Plan

The MACC Fund has a salary reduction 403(b) plan covering substantially all employees which provides for employer supplemental contributions equal to a percentage of each participant's compensation at the discretion of the MACC Fund. The MACC Fund is also required to match 50% of a participant's salary reduction contributions, not to exceed \$2,500 annually. Expense related to the plan was \$12,280 and \$10,000 in 2020 and 2019, respectively.

Midwest Athletes Against Childhood Cancer, Inc.

Notes to Financial Statements

Note 9: Concentrations

Concentrations of promises to give are as follows:

<i>As of December 31,</i>	2020	2019
Donor/Event A	32 %	14 %
Donor/Event B	- %	51 %
Donor/Event C	53 %	- %

Concentrations of gross proceeds from fundraising events in relation to total revenue and support are as follows:

<i>Years Ended December 31,</i>	2020	2019
Event A	17 %	21 %
Event B	15 %	*

* Event does not represent a significant concentration for the year ended December 31.

The Organization maintains depository relationships with a local financial institution. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. The Organization has not experienced any losses in such accounts and management believes the Organization is not exposed to any significant credit risk on cash.

Note 10: Risks and Uncertainties

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Crisis including financial markets, supply chains, businesses, and communities. Specific to the MACC Fund, COVID-19 impacted various aspects of operations and financial results for the year ended December 31, 2020, including revenues from special events. Management of the MACC Fund is taking appropriate actions to mitigate the negative impact of COVID-19, however; the full impact of COVID-19 is unknown and cannot be reasonably estimated.