

RACE TO ERASE MS
FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
DECEMBER 31, 2019 AND 2018

RACE TO ERASE MS
FINANCIAL STATEMENTS
TABLE OF CONTENTS

Report of Independent Auditors	1
Financial Statements	
Statements of Financial Positions	2
Statements of Activities	3
Statements of Functional Expenses	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-14

Leon Boroda, CPA
Quan L. Holm, CPA

BORODA HOLM
A Professional Corporation
Certified Public Accountants
15760 Ventura Boulevard, Suite 1030
Encino California 91436-3095
Tel: (818) 905-9550 Fax: (818) 905-9548

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Race to Erase MS
Los Angeles, California

We have audited the accompanying financial statements of Race to Erase MS, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows 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 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 audits. We conducted our audits 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 Race to Erase MS as of December 31, 2019 and 2018, 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.

Boroda Holm

Encino, California
May 27, 2020

RACE TO ERASE MS
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

	2019	2018
Assets		
Cash and cash equivalents	\$ 362,403	\$ 513,782
Investments, at fair market value	3,194,213	3,166,178
Accounts receivable	-	41,486
Inventories	45,738	65,988
Prepaid expenses and deposits	54,810	73,658
Property and equipment, net	1,566	920
Total assets	\$ 3,658,730	\$ 3,862,012
 Liabilities and net assets		
Accounts payable and accrued expenses	\$ 52,823	\$ 172,895
Grants payable	225,000	250,000
Deferred revenue	40,000	70,750
Total liabilities	317,823	493,645
 Net assets		
Without donor restrictions	3,340,907	3,368,367
Total net assets	3,340,907	3,368,367
 Total liabilities and net assets	\$ 3,658,730	\$ 3,862,012

See notes to financial statements

RACE TO ERASE MS
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
Support and revenue:		
Public support		
General donations	\$ 152,196	\$ 258,413
Event auction	359,414	469,130
Event contributions	1,277,200	1,447,237
Other fundraising events	39,591	112,476
Less: direct benefits to donors and sponsors	<u>(552,505)</u>	<u>(586,140)</u>
Total public support	<u>1,275,896</u>	<u>1,701,116</u>
Other revenue		
Interest and dividends	272,859	231,675
Net realized gain on investments	67,918	170,199
Unrealized gain (loss) on investments	<u>239,741</u>	<u>(431,992)</u>
Total other revenue (loss)	<u>580,518</u>	<u>(30,118)</u>
 Total support and revenue without donor restrictions	 <u>1,856,414</u>	 <u>1,670,998</u>
 Expenses:		
Program services - funding of MS research	<u>1,380,227</u>	<u>1,394,240</u>
Supporting services		
General and administrative	226,716	213,041
Fundraising	<u>276,931</u>	<u>250,350</u>
Total supporting services	<u>503,647</u>	<u>463,391</u>
 Total expenses	 <u>1,883,874</u>	 <u>1,857,631</u>
 Change in net assets without donor restrictions	 (27,460)	 (186,633)
 Net assets without donor restrictions, beginning	 <u>3,368,367</u>	 <u>3,555,000</u>
 Net assets without donor restrictions, ending	 <u>\$ 3,340,907</u>	 <u>\$ 3,368,367</u>

See notes to financial statements

RACE TO ERASE MS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	Program Services	Supporting Services		Total
		General & Administrative	Fundraising	
Salaries and payroll taxes	\$ 314,446	\$ 104,815	\$ 104,815	\$ 524,076
Employee benefits	55,651	18,551	18,551	92,753
Computer and internet	11,436	3,812	3,812	19,060
Depreciation	396	132	132	660
Grant awards	712,500	-	-	712,500
Insurance expense	7,295	2,432	2,432	12,159
Meals and entertainment	5,357	1,786	1,786	8,929
Meetings and conference	-	-	9,745	9,745
Merchant, bank fees and interest	-	16,827	7,212	24,039
Miscellaneous expense	9,270	3,090	3,090	15,450
Office supplies	13,460	4,487	4,487	22,434
Other fundraising expense	-	-	8,896	8,896
Parking	5,874	1,958	1,958	9,790
Postage and shipping	5,864	1,954	1,954	9,772
Printing and design	-	2,726	5,161	7,887
Professional fees	69,731	45,294	-	115,025
Public awareness	24,491	-	79,006	103,497
Race to Erase MS production	-	-	552,505	552,505
Rent	33,943	11,314	11,314	56,571
Symposium	82,371	-	-	82,371
Taxes & licenses	-	5,675	-	5,675
Telephone	1,173	391	391	1,955
Travel	26,969	1,472	12,189	40,630
Total functional expenses	<u>1,380,227</u>	<u>226,716</u>	<u>829,436</u>	<u>2,436,379</u>
Less:				
Expenses included with revenue	<u>-</u>	<u>-</u>	<u>(552,505)</u>	<u>(552,505)</u>
Total expenses	<u>\$ 1,380,227</u>	<u>\$ 226,716</u>	<u>\$ 276,931</u>	<u>\$ 1,883,874</u>

See notes to financial statements

RACE TO ERASE MS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018

	Program Services	Supporting Services		Total
		General & Administrative	Fundraising	
Salaries and payroll taxes	\$ 288,159	\$ 96,053	\$ 96,053	\$ 480,265
Employee benefits	55,979	18,660	18,660	93,299
Computer and internet	9,002	3,000	3,000	15,002
Depreciation	2,408	803	803	4,014
Grant awards	750,000	-	-	750,000
Insurance expense	8,164	2,722	2,722	13,608
Meals and entertainment	7,684	2,561	2,561	12,806
Merchant, bank fees and interest	-	15,325	6,568	21,893
Miscellaneous expense	4,855	1,618	1,618	8,091
Office supplies	13,157	4,386	4,386	21,929
Other fundraising expense	-	-	7,196	7,196
Parking	7,367	2,455	2,455	12,277
Postage and shipping	5,408	1,802	1,802	9,012
Printing and design	-	2,098	23,310	25,408
Professional fees	69,732	48,377	-	118,109
Public awareness	20,286	-	57,933	78,219
Race to Erase MS production	-	-	586,140	586,140
Rent	31,952	10,651	10,651	53,254
Symposium	96,045	-	-	96,045
Telephone	3,174	1,058	1,058	5,290
Travel	20,868	1,472	9,574	31,914
Total functional expenses	1,394,240	213,041	836,490	2,443,771
Less:				
Expenses included with revenue	-	-	(586,140)	(586,140)
Total expenses	<u>\$ 1,394,240</u>	<u>\$ 213,041</u>	<u>\$ 250,350</u>	<u>\$ 1,857,631</u>

See notes to financial statements

RACE TO ERASE MS
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	\$ (27,460)	\$ (186,633)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	660	4,014
Realized and unrealized loss (gain) on investments	(307,659)	261,793
(Increase) decrease in operating assets		
Accounts receivable	41,486	2,500
Inventories	20,250	8,484
Prepaid expenses and deposits	18,848	(11,658)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	(120,072)	31,934
Grants payable	(25,000)	-
Deferred revenue	(30,750)	39,250
	(429,697)	149,684
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Sales and maturities of investments	4,250,491	3,432,973
Purchases of investments	(3,970,867)	(3,629,853)
Purchases of office equipment	(1,306)	-
	278,318	(196,880)
Net cash provided by (used in) investing activities		
Net decrease in cash and cash equivalents	(151,379)	(47,196)
Cash and cash equivalents at beginning of year	513,782	560,978
Cash and cash equivalents at end of year	\$ 362,403	\$ 513,782

See notes to financial statements

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES

Race to Erase MS, formerly known as Nancy Davis Foundation for Multiple Sclerosis (the “Organization”) is dedicated to the treatment and ultimate cure of Multiple Sclerosis. Funding research is the core focus of the Foundation and all funds raised support our Center Without Walls program, a selected network of the nation’s top MS research centers. This nationwide collaboration of physicians and scientists are on the cutting-edge of innovative research programs, working as a team on therapeutic approaches to eradicate MS. In addition to combating MS through research in a clinical environment, we hope to increase awareness by educating the public about this mystifying disease

The Race to Erase MS Center Without Walls (“CWW”) program has provided support that has permitted the medical community to link together multidisciplinary scientific programs and expertise across the country to advance the understanding of the cause of MS and to develop new treatments. The Center is a break-through success because of the vision, insight and flexibility of these extraordinary doctors. The Center's theme is simple; communication - doctors working together toward a mutual goal. When this goal is reached, all will share in the victory. The Center’s network of the top MS institutions that have established leading, innovative research programs presently include Cedars-Sinai, UC San Francisco, Harvard, Yale, USC, Johns Hopkins and Oregon Health Sciences University and Medical Center.

The Center constantly strives to strengthen this revolutionary concept with new approaches to finding the brightest minds in this field. The Center’s Scientific Advisory Board, spearheaded by Dr. Henry McFarland, reviews proposals and grants submitted in standard NIH format. In addition to the regular use of high-technology communication tools, researchers of CWW come together to share scientific accomplishments through monthly telephone conference calls, standard scientific advisory meetings and MS symposiums held four times a year.

Below is a list of current research centers that received funds from the Organization. The Organization has funded Young Investigator Awards in the past and will do so in the future to attract the best and the brightest young doctors into MS research and fund projects through a competitive process.

Center Without Walls Grant Recipients:

- Cedars-Sinai
- Brigham & Women’s Hospital, Harvard
- Johns Hopkins Hospital
- Oregon Health Sciences University
- University of California, San Francisco
- University of Southern California
- Yale University School of Medicine

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Organization have been prepared using accrual basis accounting, in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. Under these provisions, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Expenses are classified as without donor restrictions.

Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- *Net assets without donor restrictions*— Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be designated for specific purposes by action of the Board of Directors.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or passage of time. When a restriction is satisfied or expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as contributions are received, are reported as revenue of the net asset without donor restrictions class. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization did not have net assets with donor restrictions at December 31, 2019 and 2018.

During 2019, the Organization adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, using the modified retrospective method. The update supersedes the revenue recognition requirements in *Revenue Recognition (Topic 605)* and requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the considerations to which the entity expects to be entitled in exchange for those goods or services. Additionally, this guidance requires that entities disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognized revenue and, therefore, no cumulative adjustments to beginning net assets was required as a result of adoption. The presentation and disclosure of revenue has been enhanced in accordance with the standard.

During 2019, the Organization adopted ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The provisions of ASU No. 2018-08 have been implemented applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with our implementation of ASU No. 2018-08.

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Contributed goods and services

The Organization records the value of donated goods and services at estimated fair value on the date of donation when an objective basis is available. The contribution of services is recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing these skills that would typically need to be purchased if not provided by donation. In addition, the Organization receives services from a large number of volunteers who give significant amounts of their time in the Organization's program and fundraising events, which is considered valuable. No amount has been reflected for these types of donated services, as they do not meet the criteria outlined above.

Contributions

Contributions, including unconditional promises to give, are recorded when received or pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate.

Special events revenue

Special events revenue consists of ticket sales and sponsorships for the Annual Race to Erase MS Gala. Ticket sales and sponsorship may be received in advance of the event taking place and are recorded as deferred revenue. These amounts are recorded as revenue the day of the event takes place.

Cash and cash equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments and investment income

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and equipment

Purchased property and equipment are carried at cost. Donated property and equipment are recorded at market value at date of donation. The Organization capitalizes all expenditures for property and equipment in excess of approximately \$1,000, which includes computers, software, office equipment, furniture, fixtures, and leasehold improvements and depreciates them over estimated useful lives of the assets ranging from five to seven years.

Inventories

Inventories are stated at the lower of cost or net realizable value determined by the first-in, first-out method. Inventories consist of branded merchandise held for use in program services and sales to unrelated parties.

Market and credit risk concentrations

The Organization's investments do not have a significant concentration of credit or market risk within any industry or group of investments, and management believes its investment policy is prudent for the long-term welfare of the Organization. The Organization places its cash and cash equivalents with credit worthy, high quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000.

As of December 31, 2019, and 2018, the Organization invested in funds held at UBS Financial Services Inc. that represent 84% and 79% of total assets, respectively.

Deferred revenue

Resources received in exchange transactions are recognized as deferred revenue to the extent that the earnings process has not been completed. Certain attendees for the annual event send their payments in advance. These amounts are recorded as deferred revenue. Deferred revenue as of December 31, 2019 and 2018 was \$40,000 and \$70,750, respectively.

Functional allocation of expenses

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statements of functional expenses. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. fundraising and general and administrative activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel.

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

The Organization is generally exempt from income taxes as a publicly supported organization under Section 501(c) (3) of the Internal Revenue Code and corresponding California Code sections. However, income generated from activities unrelated to the Organization's exempt purpose is subject to tax. The Organization did not have any unrelated business income for the years ended December 31, 2019 and 2018. Accordingly, the accompanying financial statements contain no provision for income taxes.

The Organization is subject to a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. There was no uncertain tax position recorded in the financial statements at December 31, 2019 and 2018.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates

Subsequent events

Management has evaluated the effects of events that have occurred subsequent to December 31, 2019 through May 27, 2020, the date on which the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The COVID-19 outbreak in the United States has resulted in postponing the organization's major fundraising event, Annual Race to Erase MS Gala from May to September 2020. At the current time, management is unable to reasonably quantify the potential effects of this pandemic on the future financial statements.

On April 27, 2020, the Organization received a Paycheck Protection Program loan in the amount of \$96,032 under the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act to cover payroll and other allowable expenses. The loan matures April 27, 2022, and carries a fixed rate of 1%. These funds are provided in the form of unsecured loans that may be eligible for forgiveness provided the Organization meets certain criteria.

NOTE 3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

At December 31, 2019 and 2018, the Organization's financial instruments included cash and cash equivalents, receivables, accounts payable, accrued expenses, and grants payable. The carrying amounts reported in the accompanying statements of financial position for these financial instruments approximate their fair values.

Investments are recorded on a three-level hierarchy for disclosure of fair value measurements. FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Valuation based on quoted prices for identical assets and liabilities in active markets.

Level 2 – Valuation based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are Observable or can be corroborated by observable market data.

Level 3 – Valuation based on unobservable inputs reflecting the Organization’s own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgement.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2019 are as follows:

	Assets at Fair Value as of December 31, 2019			
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Equities	\$ 3,084,213	110,000		\$ 3,194,213
Fixed –income funds	-	-	-	-
Total assets at fair value	\$3,084,213	100,000	-	\$3,194,213

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2018 are as follows:

	Assets at Fair Value as of December 31, 2018			
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Equities	\$ 1,768,178	100,000		\$ 1,868,178
Fixed-income funds	1,298,000	-	-	1,298,000
Total assets at fair value	\$3,066,178	100,000	-	\$3,166,178

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 4. PROPERTY AND EQUIPMENT

The major components of property and equipment were as follows:

	Useful Lives (Years)	December 31, 2019	December 31, 2018
Office equipment	5-7	\$ 11,530	\$ 26,404
Less: accumulated depreciation		(9,964)	(25,484)
		<u>\$ 1,566</u>	<u>\$ 920</u>

NOTE 5. RACE TO ERASE MS

During the spring of each year, the Organization organizes the “Race to Erase MS”, which serves as a campaign and fundraising event. For the years ended December 31, 2019 and 2018, the Organization recorded revenue of \$1,636,614 and \$1,916,367 related to this event, respectively.

NOTE 6. GRANTS PAYABLE

As of December 31, 2019, and 2018, the Organization made grants to various medical centers and universities for research. These agreements are subject to certain compliance requirements and can be rescinded by the Organization for breach. All grants are payable within one year. The amount outstanding on these grant commitments was \$225,000 and \$250,000 at December 31, 2019 and 2018, respectively.

NOTE 7. LEASE COMMITMENT

The Organization entered into a lease for its office facility, which expires on February 28, 2024. Future minimum lease commitments under the operating lease subsequent to December 31, 2019 are as follows:

2020	63,022
2021	64,896
2022	66,778
2023	68,772
2024	11,518
	<u>\$ 274,986</u>

For the years ended December 31, 2019 and 2018, rental expense including maintenance charges for the facility was \$56,571 and \$53,254, respectively, all of which is included as “Rent” in the statements of functional expenses.

RACE TO ERASE MS
NOTES TO FINANCIAL STATEMENTS

NOTE 8. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Cash and cash equivalents	\$ 362,403	\$ 513,782
Accounts receivable		41,486
Investments	3,194,213	3,166,178
Financial assets available for general expenditures within one year	<u>\$ 3,556,616</u>	<u>\$ 3,721,446</u>

As part of the Organization'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. In addition, the Organization invests cash in excess of daily requirements in short-term investments.