



**Cancer Research and
Treatment Fund, Inc.**
Financial Statements
December 31, 2020 and 2019

Sassetti



CERTIFIED PUBLIC ACCOUNTANTS

CANCER RESEARCH AND TREATMENT FUND, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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Board of Directors
Cancer Research and Treatment Fund, Inc.
New York, New York

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of **Cancer Research and Treatment Fund, Inc.** (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, 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.

Auditors' 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 **Cancer Research and Treatment Fund, 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 of America.

Oak Park, Illinois
July 23, 2021

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,578,222	\$ 957,889
Investments	11,386,420	11,995,153
Prepaid expenses and other assets	12,316	11,232
Total Current Assets	13,976,958	12,964,274
Property and equipment, net	4,611	7,378
TOTAL ASSETS	\$ 13,981,569	\$ 12,971,652
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Grants payable	\$ 242,000	\$ 557,000
Accounts payable	1,222	373
Accrued expenses	39,740	89,050
Total Current Liabilities	282,962	646,423
 NET ASSETS		
Without donor restrictions	13,698,607	12,325,229
Total Net Assets	13,698,607	12,325,229
TOTAL LIABILITIES AND NET ASSETS	\$ 13,981,569	\$ 12,971,652

The accompanying notes are an integral part
of the financial statements.

CANCER RESEARCH AND TREATMENT FUND, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
INCOME AND OTHER SUPPORT						
Contributions	\$ 334,156	\$ -	\$ 334,156	\$ 345,351	\$ -	\$ 345,351
Special events revenue	327,590	-	327,590	352,005	-	352,005
Symposium revenue	68,260	-	68,260	77,275	-	77,275
Investment income, net of fees of \$74,192 and \$81,064 respectively	657,780	-	657,780	500,063	2	500,065
Unrealized and realized gains	836,179	-	836,179	1,543,269	-	1,543,269
Net assets released from restrictions	-	-	-	13,449	(13,449)	-
Total Income and Other Support	2,223,965	-	2,223,965	2,831,412	(13,447)	2,817,965
EXPENSES						
Program	632,708	-	632,708	1,008,047	-	1,008,047
Fundraising	160,695	-	160,695	232,311	-	232,311
General and administrative	57,184	-	57,184	57,502	-	57,502
Total Expenses	850,587	-	850,587	1,297,860	-	1,297,860
CHANGE IN NET ASSETS	1,373,378	-	1,373,378	1,533,552	(13,447)	1,520,105
NET ASSETS						
Beginning of year	12,325,229	-	12,325,229	10,791,677	13,447	10,805,124
End of of year	\$ 13,698,607	\$ -	\$ 13,698,607	\$ 12,325,229	\$ -	\$ 12,325,229

The accompanying notes are an integral part
of the financial statements.

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	Program Services	Fundraising	Management and General	Total
Payroll and related expenses				
Salaries	\$ 159,514	\$ 50,804	\$ 22,580	\$ 232,898
Payroll taxes and related costs	12,814	4,673	2,077	19,564
	<u>172,328</u>	<u>55,477</u>	<u>24,657</u>	<u>252,462</u>
Grants				
Grants for the Silver MPN Center	382,000	-	-	382,000
Grants for research support	11,776	-	-	11,776
	<u>393,776</u>	<u>-</u>	<u>-</u>	<u>393,776</u>
Other				
Special events expense	-	32,031	-	32,031
MPN Patient Symposium	9,681	-	-	9,681
Rent	15,128	19,450	8,645	43,223
Newsletter and public relations	16,011	20,587	9,150	45,748
Office and other miscellaneous	9,675	12,439	5,528	27,642
Meetings	1,188	1,528	679	3,395
Professional fees	13,498	17,354	7,713	38,565
Telephone	454	584	259	1,297
Depreciation	969	1,245	553	2,767
	<u>66,604</u>	<u>105,218</u>	<u>32,527</u>	<u>204,349</u>
Total Expenses	<u>\$ 632,708</u>	<u>\$ 160,695</u>	<u>\$ 57,184</u>	<u>\$ 850,587</u>

The accompanying notes are an integral part
of the financial statements.

CANCER RESEARCH AND TREATMENT FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program Services	Fundraising	Management and General	Total
Payroll and related expenses				
Salaries	\$ 41,506	\$ 53,365	\$ 23,718	\$ 118,589
Payroll taxes and related costs	3,551	4,567	2,030	10,148
	<u>45,057</u>	<u>57,932</u>	<u>25,748</u>	<u>128,737</u>
Grants				
Grants for the Silver MPN Center	849,000	-	-	849,000
Grants for research support	34,318	-	-	34,318
	<u>883,318</u>	<u>-</u>	<u>-</u>	<u>883,318</u>
Other				
Special events expense	-	102,930	-	102,930
MPN Patient Symposium	24,098	-	-	24,098
Rent	14,292	18,374	8,166	40,832
Newsletter and public relations	16,817	21,621	9,609	48,047
Office and other miscellaneous	9,416	12,107	5,381	26,904
Meetings	3,662	4,707	2,092	10,461
Professional fees	10,610	13,641	6,063	30,314
Telephone	454	584	259	1,297
Depreciation	323	415	184	922
	<u>79,672</u>	<u>174,379</u>	<u>31,754</u>	<u>285,805</u>
Total Expenses	<u>\$ 1,008,047</u>	<u>\$ 232,311</u>	<u>\$ 57,502</u>	<u>\$ 1,297,860</u>

The accompanying notes are an integral part
of the financial statements.

CANCER RESEARCH AND TREATMENT FUND, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,373,378	\$ 1,520,105
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Unrealized and realized gains on investments	(836,179)	(1,543,269)
Donated investments	(1,007)	(134,092)
Depreciation	2,767	922
(Increase) decrease in operating assets:		
Pledges receivable	-	5,000
Prepaid expenses and other assets	(1,084)	59
Increase (decrease) in operating liabilities:		
Grants payable	(315,000)	140,000
Accounts payable	849	(455)
Accrued expenses	(49,310)	60,950
Net Cash Provided by Operating Activities	174,414	49,220
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(8,300)
Proceeds from sales and maturity of investments	4,185,498	3,293,913
Purchases of investments	(2,739,579)	(3,509,614)
Net Cash Provided by (Used in) Investing Activities	1,445,919	(224,001)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,620,333	(174,781)
CASH AND CASH EQUIVALENTS:		
Beginning of year	957,889	1,132,670
End of year	\$ 2,578,222	\$ 957,889

The accompanying notes are an integral part
of the financial statements.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Cancer Research and Treatment Fund, Inc. (“the Organization”) is a not-for-profit organization founded to fund cancer research and treatment, emphasizing myeloproliferative neoplasms and other common blood and solid tumor cancers. Funding is granted to individuals for research in connection with cancer related disorders. Revenue and support for the Organization are primarily from the general public.

Basis of Accounting - Under generally accepted accounting principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The net assets of the Organization are reported in the two self-balancing groups as follows:

- Net Assets without Donor Restrictions: Net assets without donor restrictions are for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.
- Net Assets with Donor Restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

Cash Flow Information – For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. No cash was paid for income taxes or interest during the years ended December 31, 2020 and 2019

Revenue Recognition – Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases the restricted net asset class. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the contribution as without donor restrictions.

Event revenue is recognized at a point in time when the particular event occurs.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

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Estimates – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Investments – Equity, bond, and governmental securities are carried at fair value. The fair value of other investments has been estimated using the Net Asset Value (“NAV”) as reported by the management of the respective other investment funds.

Interest and dividends are recorded when earned. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of income.

Property and Equipment – Property and equipment are stated at cost. Expenditures for major additions and improvements above \$5,000 are capitalized, while minor repairs and maintenance are charged to expense as incurred. Depreciation is based on the estimated useful lives of depreciable assets and is provided using the straight-line method. When property is disposed, the asset and the accumulated depreciation are removed from the accounts. Any resulting gain or loss is reflected in operations in the period incurred.

Donated Services – Many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, campaign solicitations, and various committee assignments. Volunteer hours received by the Organization are not recognized in the financial statements because they did not meet the criteria for recognition under U.S. GAAP, which states that in order to record the value of services, the services must either (a) create or enhance non-financial assets, or (b) the service must require specialized skills.

Tax-Exempt Status – The Organization is a not-for-profit institution exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provisions for income taxes have been provided in the accompanying financial statements.

The Organization follows U.S. GAAP guidance on *Accounting for Uncertainty in Income Taxes*. This topic provides guidance on the recognition, measurement, classification and disclosures related to uncertain tax positions, along with any interest and penalties. The Organization continually evaluates the possible existence of uncertain tax positions. The federal and state tax returns of the Organization are subject to examination, generally for three years after filing.

Adopted Accounting Pronouncements – In June 2018, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Made. The ASU provides a more robust framework for determining whether a transaction should be accounted for as a contribution or an exchange transaction. The guidance also helps determine whether a contribution is conditional and

CANCER RESEARCH AND TREATMENT FUND, INC.

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better distinguishes a donor-imposed condition from a donor-imposed restriction. The Organization adopted ASU 2018-08 effective January 1, 2020 and determined that the adoption did not result in a material change to how it accounts for revenue from gifts and grants.

Subsequent Events - The Organization has evaluated subsequent events through July 23, 2021, the date that the financial statements were available to be issued.

2. CONCENTRATIONS

The Organization maintains cash balances in financial institutions. The balances are insured by the Federal Deposit Insurance Corporation. The Organization's bank balances may at times exceed insurable limits. The Organization has not experienced any losses in such accounts and as a result believes it is not exposed to any significant financial risk.

The Organization maintains an investment portfolio that contains non-traditional, not readily marketable investments. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by managers or general managers of underlying securities may be based on ongoing operational due diligence and risk monitoring of underlying investment funds. At December 31, 2020 and 2019, the Organization's investment in these types of funds comprised 55% and 49% of total investments, respectively.

3. INVESTMENTS

Investments consist of the following at December 31, 2020:

	2020		
	Cost	Fair Value	Unrealized Gain (Loss)
Municipal bonds	\$ 2,820	\$ 2,878	\$ 58
Equity securities	3,658,710	5,061,487	1,402,777
Non-equity correlated	1,396,605	2,653,727	1,257,122
Hedged equities	1,267,893	3,322,794	2,054,901
Private credit equities	329,343	345,534	16,191
Total	<u>\$ 6,655,371</u>	<u>\$ 11,386,420</u>	<u>\$ 4,714,858</u>

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

Investments consist of the following at December 31, 2019:

	2019		
	Cost	Fair Value	Unrealized Gain (Loss)
Municipal bonds	\$ 2,770	\$ 2,750	\$ (20)
Equity securities	4,670,725	6,080,369	1,409,644
Non-equity correlated	1,946,605	2,967,486	1,020,881
Hedged equities	1,267,893	2,732,048	1,464,155
Private credit equities	212,500	212,500	-
Total	<u>\$ 8,100,493</u>	<u>\$ 11,995,153</u>	<u>\$ 3,894,660</u>

4. FAIR VALUE MEASUREMENTS

FASB ASC Topic 820, Fair Value Measurements and Disclosures, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). An exit price valuation will include margins for risk even if they are not observable. As the Organization is released from risk, the margins for risk will also be released through net realized gains (losses) in net income (loss). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Valuation is based upon quoted prices in active markets for identical assets.

Level 2 – Valuation based on inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or dissimilar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity, and that are significant to the fair value of the assets or liabilities.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There are no changes in the valuation of methodologies used at December 31, 2020 and 2019.

Fair values for marketable securities are determined by reference to quoted market prices and other relevant information generated by market transactions.

CANCER RESEARCH AND TREATMENT FUND, INC.

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Fair values of assets measured on a recurring basis were as follows:

	Fair Value Measurements at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Municipal bonds	\$ 2,878	-	-	\$ 2,878
Equity securities	5,061,487	-	-	5,061,487
	<u>\$ 5,064,365</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,064,365</u>
Other investments:				
Non-equity correlated ^(a)				2,653,727
Hedged equities ^(a)				3,322,794
Private credit equities ^(a)				345,534
Total investments, at fair value				<u>\$ 11,386,420</u>

	Fair Value Measurements at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Municipal bonds	\$ 2,750	-	-	\$ 2,750
Equity securities	6,080,369	-	-	6,080,369
	<u>\$ 6,083,119</u>	<u>\$ -</u>	<u>\$ -</u>	<u>6,083,119</u>
Other investments:				
Non-equity correlated ^(a)				2,967,486
Hedged equities ^(a)				2,732,048
Private credit equities ^(a)				212,500
Total investments, at fair value				<u>\$ 11,995,153</u>

(a) In accordance with current accounting standards, certain investments that are measured at fair value using the NAV per share "Practical Expedient" have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

Non-equity correlated, hedged equities, and private credit equities employ a variety of investment strategies with varying net/gross exposure levels. The fair values of the investment in this category are those reported by the fund administrator at December 31, 2020 and 2019. Liquidity terms vary by fund, with certain funds offering flexible terms. The investment strategies are summarized as follows:

- Credit Strategies employ an investment process focused on identifying corporate credit instruments that are either undervalued or overvalued to their fair value. Managers typically employ a fundamentally-oriented investment process to identify mispriced credit instruments.
- Distressed Debt Strategies employ an investment process focused on identifying corporate credit instruments trading at significant discounts to their fair value. Managers are typically actively involved with these companies, often through participation in creditors' committees or other restructuring decisions.

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- Event Driven Strategies relate to situations in which the underlying investment opportunity and risk is associated with an event. An Event Driven investment strategy finds investment opportunities in transactional events including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, security issuance or other capital structure adjustments.
- Macro Investment Strategies take position in share, bond or currency markets in anticipation of global macroeconomic events in order to generate a risk-adjusted return. Macro fund managers use macroeconomic analysis based on global market events and trends to identify opportunities for investment that would profit from anticipated price movements.
- Market Neutral Strategies exhibit zero correlation with an unwanted source of risk.
- Long/Short Equity Strategies involve buying long equities that are expected to increase in value and selling short equities that are expected to decrease in value.
- Multi-Strategy Funds engagement in variety of investment strategies, including but not limited to long/short equity, market neutral, event driven and global macro.
- Private Credit Strategies generate attractive risk-adjustment net returns by investing in a portfolio of funds that engage in private credit and/or lending transactions, including funds that either make loans to middle-market business or invest in a diversified portfolio of commercial real estate-related debt and securities.

5. NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. Board designated net assets represent amounts identified by the Board which have been invested for use at management's discretion. Income earned on such balances accrues and, with approval of the Board, may be used to support the Organization's activities.

The following summarizes activity for net assets with board designated restrictions during 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Net assets with board designated restrictions, January 1:	\$ 11,902,429	\$ 10,509,097
Investment income, net of fees	657,780	500,063
Unrealized and realized gains	836,179	1,543,269
Less: transfers	<u>(250,000)</u>	<u>(650,000)</u>
Net assets with board designated restrictions, December 31:	<u>\$ 13,146,388</u>	<u>\$ 11,902,429</u>

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

The following summarizes ending balances of all net assets without donor restrictions at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Board designated	\$ 13,146,388	\$ 11,902,429
Undesignated net assets	<u>552,219</u>	<u>422,800</u>
Net assets without donor restrictions	<u>\$ 13,698,607</u>	<u>\$ 12,325,229</u>

6. PROPERTY AND EQUIPMENT

Major classifications of property and equipment, and their respective useful lives, are as follows at December 31:

	<u>2020</u>	<u>2019</u>	<u>Estimated Useful Lives</u>
Webpage	\$ 50,300	\$ 50,300	3 - 7 years
Leasehold improvements	19,201	19,201	39 years
Computer	16,573	16,573	5 years
Furniture	6,806	6,806	7 years
Equipment	<u>2,351</u>	<u>2,351</u>	5 - 7 years
	95,231	95,231	
Less: accumulated depreciation	<u>(90,620)</u>	<u>(87,853)</u>	
	<u>\$ 4,611</u>	<u>\$ 7,378</u>	

Depreciation expense for the year ended December 31, 2020 and 2019 was \$2,767 and \$922, respectively.

7. LEASE

The Organization leases its facilities in New York, New York from an independent party, which expires on January 31, 2022. Rent paid for this facility totaled \$43,222 and \$40,832 for the years ended December 31, 2020 and 2019, respectively.

Future minimum lease payments under operating leases are as follows for the years ended December 31:

2021	\$ 43,213
2022	3,604

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

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8. COMMITMENTS AND CONTINGENCIES

The Organization made an initial pledge of \$3,700,000 in 2011 to the Weill Cornell Medical College (the "College") for the purpose of creating the Richard T. Silver, M.D. Myeloproliferative Neoplasm Center (the "Silver MPN Center"). The pledge was subsequently and most recently modified in 2020, increasing the total pledge to \$6,946,000. As of December 31, 2020 and 2019, the remaining unpaid pledge amounted to \$942,000 and \$1,357,000, respectively.

The pledged amounts remaining as of December 31, 2020 are to be paid as follows:

- A gift of \$165,000 is classified as grants payable on the 2020 Statement of Financial Position for amounts approved by the Board but unpaid to support the Scientific Director of Silver MPN Center in their laboratory research.
- A gift of \$50,000 is classified as grants payable on the 2020 Statements of Financial Position for amounts approved by the Board but unpaid to support a clinician.
- A gift of \$27,000 is classified as grants payable on the 2020 Statements of Financial Position for amounts approved by the Board but unpaid to support clinical research at the Silver MPN Center.
- A gift of \$700,000, commencing upon the hiring of a Scientific Director of the Silver MPN Center.

The amounts and timing of these gifts are also subject to the terms and conditions stated in the pledge agreements.

The remaining gifts will be recorded as amounts are determined and approved annually by the Organization's Board.

9. MAJOR CONTRIBUTORS

For the year ended December 31, 2020, three gifts totaling \$200,000 comprised approximately 60% of total contributions. These gifts have no restrictions on their use.

For the year ended December 31, 2019, two gifts totaling \$290,000 comprised approximately 84% of total contributions. These gifts have no restrictions on their use.

10. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization operates on a consistent annual cycle, with their primary expenditures related to the payment of pledge commitments, and various other budgeted administrative and fundraising expenses.

CANCER RESEARCH AND TREATMENT FUND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

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

	December 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 2,578,222	\$ 957,889
Investments	<u>11,386,420</u>	<u>11,995,153</u>
Total financial assets available within one year	13,964,642	12,953,042
Less: amounts unavailable for general expenditures within one year due to:		
Pledges approved to be paid within one year	(242,000)	(557,000)
Less: amounts unavailable to management without Board approval:		
Board designated net assets	<u>(13,146,388)</u>	<u>(11,902,429)</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 576,254</u>	<u>\$ 493,613</u>

11. NEW ACCOUNTING STANDARDS UPDATE

FASB issued ASU No. 2016-02, Leases (Topic 842) in February 2016, which will supersede the current lease recording requirements in Topic 842. The ASU looks to increase transparency and comparability by conforming US GAAP with International Accounting Standards as it relates to leases. The new standard will require, among other things, that all leases, including operating leases, be included on the balance sheet as a "right of use" asset with an offsetting liability for the payments remaining on the lease. The new guidance will be effective for the Organization's year ending December 31, 2022, with early application permitted.

The Organization is currently evaluating the impact this standard will have on its financial statements.

12. UNCERTAINTIES DUE TO COVID-19 PANDEMIC

On March 10, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, and on March 13, 2020, the President of the United States declared the COVID-19 pandemic a national emergency, invoking powers under the Stafford Act, the legislation that directs federal emergency disaster response. As a result, economic uncertainties have arisen which could negatively impact future cash flows. Other financial impact could occur though such potential impact is unknown at this time. The magnitude, timing, and duration of any such potential financial impacts cannot be reasonably estimated at this time.

