

SWIM ACROSS AMERICA, INC.

FINANCIAL STATEMENTS

December 31, 2018 and 2017



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401-273-7600

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Swim Across America, Inc.
Charlotte, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Swim Across America, Inc. (Organization) (a Connecticut non-profit Corporation), which comprise the statements of financial position as of December 31, 2018 and 2017, 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 (US GAAP); 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 (US GAAS). Those standards require that we plan and perform the audits 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 on the previous page present fairly, in all material respects, the financial position of the Organization as of December 31, 2018 and 2017 and the changes in its net assets and its cash flows for the years then ended in accordance with US GAAP.

Emphasis of Matter

As discussed in Note 1 to the financial statements, as of and for the year ended December 31, 2018, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Restivo Monacelli LLP

Providence, Rhode Island
November 12, 2019

SWIM ACROSS AMERICA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2018 and 2017

	2018	2017
ASSETS		
CASH AND CASH EQUIVALENTS		
Available for operations	\$ 979,746	\$ 1,024,200
Restricted by donors	108,469	787,956
	1,088,215	1,812,156
OTHER ASSETS		
Investments, at fair value	1,491,531	-
Unconditional promises to give	981,371	1,971,060
Prepaid expenses and other assets	33,419	19,154
Property and equipment, net	15,641	30,333
	2,521,962	2,020,547
TOTAL ASSETS	\$ 3,610,177	\$ 3,832,703
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 10,518	\$ 15,266
NET ASSETS		
Without donor restrictions	1,018,288	1,058,421
With donor restrictions	2,581,371	2,759,016
	3,599,659	3,817,437
TOTAL LIABILITIES AND NET ASSETS	\$ 3,610,177	\$ 3,832,703

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENTS OF ACTIVITIES
Years Ended
December 31, 2018 and 2017

SWIM ACROSS AMERICA, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 7,969,822	\$ 22,355	\$ 7,992,177
Interest income	27,934	-	27,934
Investment income (loss)	(107,082)	-	(107,082)
Net assets released from restriction	<u>200,000</u>	<u>(200,000)</u>	<u>-</u>
 TOTAL SUPPORT AND REVENUE	 8,090,674	 (177,645)	 7,913,029
EXPENSES			
Program services	7,640,847	-	7,640,847
Supporting services			
Management and general	248,894	-	248,894
Fundraising	<u>241,066</u>	<u>-</u>	<u>241,066</u>
	<u>489,960</u>	<u>-</u>	<u>489,960</u>
 TOTAL EXPENSES	 <u>8,130,807</u>	 <u>-</u>	 <u>8,130,807</u>
 CHANGE IN NET ASSETS	 (40,133)	 (177,645)	 (217,778)
 NET ASSETS, beginning	 <u>1,058,421</u>	 <u>2,759,016</u>	 <u>3,817,437</u>
 NET ASSETS, ending	 <u>\$ 1,018,288</u>	 <u>\$ 2,581,371</u>	 <u>\$ 3,599,659</u>

SWIM ACROSS AMERICA, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 7,035,821	\$ 2,959,016	\$ 9,994,837
Interest income	9,698	-	9,698
Investment income (loss)	(38)	-	(38)
Net assets released from restriction	<u>200,000</u>	<u>(200,000)</u>	<u>-</u>
 TOTAL SUPPORT AND REVENUE	 7,245,481	 2,759,016	 10,004,497
EXPENSES			
Program services	6,645,463	-	6,645,463
Supporting services			
Management and general	204,298	-	204,298
Fundraising	<u>202,412</u>	<u>-</u>	<u>202,412</u>
	<u>406,710</u>	<u>-</u>	<u>406,710</u>
 TOTAL EXPENSES	 <u>7,052,173</u>	 <u>-</u>	 <u>7,052,173</u>
 CHANGE IN NET ASSETS	 193,308	 2,759,016	 2,952,324
 NET ASSETS, beginning	 <u>865,113</u>	 <u>-</u>	 <u>865,113</u>
 NET ASSETS, ending	 <u>\$ 1,058,421</u>	 <u>\$ 2,759,016</u>	 <u>\$ 3,817,437</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended
December 31, 2018 and 2017

SWIM ACROSS AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2018

	<u>Program</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 524,895	\$ 74,985	\$ 149,970	\$ 749,850
Payroll taxes	33,767	4,824	9,648	48,239
Employee benefits	84,354	12,051	24,100	120,505
	<u>643,016</u>	<u>91,860</u>	<u>183,718</u>	<u>918,594</u>
Grants - cancer research	5,624,711	-	-	5,624,711
Bank and credit card charges	318,704	-	-	318,704
Database and website	3,997	-	-	3,997
Education and promotion	139,707	15,523	-	155,230
Event specific expenses	272,481	-	-	272,481
Insurance	41,123	4,569	-	45,692
Outside services	314,322	-	-	314,322
Professional fees	-	66,781	-	66,781
Reception expenses	94,279	13,468	26,937	134,684
Registration fees	48,153	-	-	48,153
Rent	-	21,526	-	21,526
Supplies	44,119	4,902	-	49,021
Telephone	-	4,427	-	4,427
Travel and entertainment	88,586	12,655	25,311	126,552
Depreciation	7,649	13,183	5,100	25,932
	<u>6,997,831</u>	<u>157,034</u>	<u>57,348</u>	<u>7,212,213</u>
Total expenses	<u>\$ 7,640,847</u>	<u>\$ 248,894</u>	<u>\$ 241,066</u>	<u>\$ 8,130,807</u>

SWIM ACROSS AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2017

	<u>Program</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 426,405	\$ 60,915	\$ 121,830	\$ 609,150
Payroll taxes	28,940	4,134	8,269	41,343
Employee benefits	59,113	8,445	16,889	84,447
	<u>514,458</u>	<u>73,494</u>	<u>146,988</u>	<u>734,940</u>
Grants - cancer research	4,892,426	-	-	4,892,426
Bank and credit card charges	254,185	-	-	254,185
Database and website	6,766	-	-	6,766
Education and promotion	121,253	13,473	-	134,726
Event specific expenses	263,766	-	-	263,766
Insurance	26,752	2,972	-	29,724
Outside services	311,721	-	-	311,721
Professional fees	-	49,918	-	49,918
Reception expenses	86,640	12,377	24,754	123,771
Registration fees	32,024	-	-	32,024
Rent	-	16,656	-	16,656
Supplies	41,793	4,644	-	46,437
Telephone	-	5,298	-	5,298
Travel and entertainment	83,432	11,919	23,838	119,189
Depreciation	10,247	13,547	6,832	30,626
	<u>6,131,005</u>	<u>130,804</u>	<u>55,424</u>	<u>6,317,233</u>
Total expenses	<u>\$ 6,645,463</u>	<u>\$ 204,298</u>	<u>\$ 202,412</u>	<u>\$ 7,052,173</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENTS OF CASH FLOWS
Year Ended December 31, 2018

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (217,778)	\$ 2,952,324
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	25,932	30,626
Net realized and unrealized losses on investments	120,716	-
Discount for present value of unconditional promises to give	(40,948)	40,984
Changes in assets and liabilities:		
Unconditional promises to give	1,030,637	(1,981,333)
Prepaid expenses and other assets	(14,265)	3,587
Accounts payable and accrued expenses	(4,748)	(30,887)
Grants payable	-	(487,500)
Total adjustments	<u>1,117,324</u>	<u>(2,424,523)</u>
NET CASH FROM OPERATING ACTIVITIES	899,546	527,801
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,585,871)	-
Proceeds from sale of investments	973,624	-
Acquisition of property and equipment	(11,240)	-
NET CASH FROM INVESTING ACTIVITIES	<u>(1,623,487)</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(723,941)	527,801
CASH AND CASH EQUIVALENTS, beginning	<u>1,812,156</u>	<u>1,284,355</u>
CASH AND CASH EQUIVALENTS, ending	<u>\$ 1,088,215</u>	<u>\$ 1,812,156</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Swim Across America, Inc. (Organization) is a Connecticut non-profit corporation organized on May 5, 1992. The Organization's purpose is to promote, educate, and raise funds for cancer research and treatment. The Organization solicits public and private contributions to allocate among various cancer facilities.

The program services of the Organization consists of annual swim events located in Atlanta, Baltimore, Boston, Charlotte, Chicago, Dallas, Denver, Greenwich, Long Island Sound, Kiawah, Nantucket, Nassau/Suffolk, Rhode Island, Richmond, San Francisco, Seattle, St. Louis, and Tampa Bay. At the events, the Organization raises awareness about cancer research and provides an outlet for various families and teams of swimmers which have been affected by cancer. The events often host speakers and highlight stories of participants, while doctors and local medical staff swim alongside, and volunteer with, the local community. The funds raised at the annual swims benefit various cancer research and treatment organizations as detailed in Note 8.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America (US GAAP). Under this method of accounting, revenue is recognized when amounts are earned and when the amount and timing of the revenue can be reasonably estimated. Expenses are recognized when they occur.

Estimates

The preparation of financial statements in conformity with US GAAP requires 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers operating checking, interest bearing liquid investment accounts, savings, and certificate of deposit accounts to be cash equivalents.

As of December 31, 2018 and 2017, cash and cash equivalents consisted of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 1,088,215	\$ 1,701,527
Certificates of deposit	<u>-</u>	<u>110,629</u>
	<u>\$ 1,088,215</u>	<u>\$ 1,812,156</u>

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are reported at fair value and are based primarily on quoted market prices or estimated fair value.

Contributions and Promises to Give

Contributions are recognized when received or when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on past experience and management's analysis of specific contributions made. As of December 31, 2018 and 2017, management believes that no such allowance is deemed necessary.

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at the estimated fair market value at the date of donation. The Organization capitalizes all costs incurred over \$1,000. Depreciation and amortization is calculated using the straight-line method over the expected useful lives of the assets ranging from three to five years.

Donations of property and equipment are reported as support without donor restrictions unless the donor has restricted the donated assets to a specific purpose. No such restrictions on property and equipment exist at December 31, 2018 and 2017.

Net Assets

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

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

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

Functional Expenses

Direct expenses are charged to program, management and general, or fundraising categories based on specific identification. Indirect expenses have been allocated based on full time equivalent expenses and estimated usage of expenses.

Advertising Costs

The Organization expenses advertising costs as they are incurred. Advertising costs totaled \$155,230 and \$134,726 for the years ended December 31, 2018 and 2017, respectively.

Income Taxes

The Organization has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986 (IRC), as an organization described in Section 501(c)(3), except for income taxes pertaining to unrelated business income.

The Financial Accounting Standards Board (FASB) guidance requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined that there are no material uncertain positions that require recognition in the financial statements. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense, however, there is no interest or penalties recognized in the statements of activities. The Organization's income tax returns are generally subject to examination by the Internal Revenue Service and state taxing authorities for three years after they were filed.

Reclassifications

Certain amounts reported in the 2017 financial statements have been reclassified to conform to the 2018 presentation.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Adopted

In August 2016, the Financial Accounting Standards Board issued Accounting Standard Update (ASU) No. 2016-14, *Not-for-Profit Entities: Topic 958*. The amendments in this update affect not-for-profit entity's and the users of their general-purpose financial statements. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and availability of resources. The Organization implemented this ASU effective for the year ended December 31, 2018.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers: Topic 606. This ASU will superseded the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The amendments in this ASU are effective for years beginning after December 15, 2018. The Organization has not yet implemented this ASU and is in the process of assessing the effect on the Organization's financial statements.

In February 2016, the FASB issued ASU no. 2016-02, Leases. This ASU affects any entity that enters into a lease, with some specified scope exceptions. The main difference between previous US GAAP and this ASU is the recognition of lease assets and liabilities by lessees for those leases classified as operating leases under previous US GAAP. The amendments in this ASU are effective for years beginning after December 15, 2018. The Organization has not yet implemented this ASU and is in the process of assessing the effect on the Organization's financial statements.

Subsequent Events

Management evaluated the subsequent events of the Organization through November 12, 2019, the date the financial statements were available to be issued.

On June 10, 2019, a certain donor pledged \$2,000,000 to the Organization. The monies received may be used to further the Organization's mission but not directly fund cancer research through grants. The pledge will be fulfilled through \$1,000,000 contributions made in 2020 and 2021.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 2 - LIQUIDITY AND AVAILABILITY

At December 31, 2018, the Organization had \$979,746 in cash and cash equivalents available for operations. Cash and cash equivalents have been reduced by amounts not available for all uses because of donor imposed restrictions within one year of the balance sheet date.

In addition, at December 31, 2018, the Organization had the following financial assets available within one year of the balance sheet date which can be used for general operations, but are not available to directly fund cancer research through grants due to donor restrictions.

Cash and cash equivalents	\$ 108,469
Investments, at fair value	1,491,531
Unconditional promises to give	<u>981,371</u>
	<u>\$ 2,581,371</u>

As part of 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. To help manage unanticipated liquidity needs the Organization generally keeps a reserve of uninvested, or short-term invested cash and cash equivalents which it could draw upon

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

Fair Value Measurements

Accounting standards establish a framework for measuring fair value that utilizes 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 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets and liabilities in active markets that the Organization has the ability to access. The Organization had no assets or liabilities valued using Level 1 inputs as of December 31, 2017.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted market prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. The Organization had no assets or liabilities valued using Level 2 inputs as of December 31, 2018 and 2017.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Level 3 Inputs to the valuation methodology are unobservable supported by little or no market activity and significant to the fair value measurement. Level 3 inputs include management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The Organization had no assets or liabilities valued using Level 3 inputs as of December 31, 2018 and 2017.

Money market funds and mutual funds are valued at the unit value based on the observable net asset value of shares held by the Organization at year end reported on an active market.

This valuation methodology may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, 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.

Investments measured at fair value at December 31, 2018 are summarized below. All of the Organization's investments are valued using Level 1 inputs.

	<u>2018</u>	
	<u>Fair Value</u>	<u>Cost</u>
Money market funds	\$ 644,491	\$ 644,491
Mutual funds:		
China region	22,153	23,527
Diversified emerging markets	83,927	101,600
Financial	23,891	26,416
Foreign large blend	248,232	291,573
Large blend	206,487	223,144
Large growth	49,433	54,257
Large value	71,014	79,624
Mid-cap blend	80,559	91,634
Small blend	44,781	50,690
World stock	<u>16,563</u>	<u>18,347</u>
	<u>\$ 1,491,531</u>	<u>\$ 1,605,303</u>

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following as of December 31, 2018 and 2017. As of December 31, 2018, all unconditional promises to give are due in less than one year.

	<u>2018</u>	<u>2017</u>
Without donor restrictions	\$ -	\$ 12,044
With donor restrictions	<u>1,000,000</u>	<u>2,000,000</u>
	1,000,000	2,012,044
Less unamortized discount	<u>18,629</u>	<u>40,984</u>
Unconditional promises to give, net	<u>\$ 981,371</u>	<u>\$ 1,971,060</u>

NOTE 5 - PROPERTY AND EQUIPMENT

As of December 31, 2018 and 2017, property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Office equipment	\$ 17,523	\$ 17,523
Promotional equipment	104,562	93,322
Mobile application software	<u>35,425</u>	<u>35,425</u>
	157,510	146,270
Less accumulated depreciation	<u>141,869</u>	<u>115,937</u>
	<u>\$ 15,641</u>	<u>\$ 30,333</u>

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization has net assets with donor restrictions related to contributions received from a certain donor with the stipulation that the monies received be used to further the Organization's mission but not directly fund cancer research through grants.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose, by the occurrence of events specified by the donors, or by a change in the restrictions specified by the donor. For the years ended December 31, 2018 and 2017, all amounts released from restriction were related to general operations.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 7 - DEFINED CONTRIBUTION PLAN

The Organization maintains an employee retirement plan (Plan) to which the participants may contribute up to the Internal Revenue Service limits. The Plan covers all employees who have met certain service requirements. The Organization contributed \$42,779 and \$24,987 to the Plan for the years ended December 31, 2018 and 2017, respectively.

NOTE 8 - GRANTS – CANCER RESEARCH

During the years ended December 31, 2018 and 2017, the Organization made grants to the following beneficiaries:

<u>Beneficiary</u>	<u>2018</u>	<u>2017</u>
Feinstein Institute for Medical Research	\$ 55,000	\$ 55,000
Women and Infants	150,000	115,000
Baylor Cancer Center	220,711	220,711
Seattle Cancer Care Alliance	405,000	370,000
Johns Hopkins - The Sidney Kimmel Comprehensive Care Center	375,000	380,000
Children's Hospital of Oakland Research Institute	50,000	310,000
Cold Spring Harbor Laboratory	60,000	60,000
Alliance for Cancer Gene Therapy	385,000	350,000
University of California San Francisco's Children's Hospital Survivorship Clinic	650,000	310,000
MD Anderson Cancer Center	210,000	160,000
Share Cancer Support	12,500	10,000
Cancer Support Team of Westchester	443,000	400,504
Dana Farber Cancer Institute	150,000	117,500
Memorial Sloan-Kettering Cancer Center	522,550	455,000
Glen Cove Cares	2,500	2,500
Carolina Health Care Foundation	-	105,000
Palliative & Supportive Care of Nantucket	85,000	80,000
Nantucket Cottage Hospital	250,000	210,000
Rush University Cancer Center	185,000	290,000
Moffitt Cancer Center	70,000	180,711
Mercy Medical Center	-	3,000
Massachusetts General Hospital	150,000	117,500
Children's Healthcare of Atlanta	550,000	365,000
Children's Hospital of New York – Columbia Presbyterian	130,950	120,000
Siteman Cancer Center	162,500	105,000
Children's Hospital of Colorado	150,000	-
Johns Hopkins All Children's Foundation	70,000	-
Levine Cancer Institute	115,000	-
Massey Cancer Center	15,000	-
	<u>\$ 5,624,711</u>	<u>\$ 4,892,426</u>

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2018 and 2017

NOTE 9 - AGENCY DONATIONS

In connection with the Organization's annual swim events, donations totaling \$15,000 and \$11,000 for 2018 and 2017, respectively, were made directly to the beneficiaries on behalf of the Organization. Such amounts are not reflected in the Organization's financial statements as they are considered agency transactions and not contributions to the Organization.

NOTE 10 - RELATED PARTY TRANSACTIONS

During the years ended December 31, 2018 and 2017, the Organization paid a board member \$36,000 and \$15,000 for accounting and marketing services provided to the Organization.

NOTE 11 - CONCENTRATIONS OF CREDIT RISK

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist of cash and cash equivalents.

The Organization maintains certain cash balances in a financial institution with branches located throughout the United States of America. This institution participates with over 30 unrelated banks to extend available FDIC coverage to depositors up to \$14,000,000. All cash balances held by this institution were within insured limits at December 31, 2018.

The Organization also maintains additional cash balances in a financial institution with branches located throughout the United States of America. Balances maintained in interest bearing and non-interest bearing accounts are insured by the FDIC up to \$250,000 for each depositor in each institution. At December 31, 2018, the Company had cash deposits of approximately \$75,500 in excess of FDIC insurance limits.

The Organization is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contracted obligations on its behalf. Management monitors the financial condition of those financial institutions and does not anticipate any losses from these counterparties.