

SWIM ACROSS AMERICA, INC.

FINANCIAL STATEMENTS

December 31, 2020 and 2019



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401-273-7600

TABLE OF CONTENTS

	Page No.
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 18

INDEPENDENT AUDITOR'S REPORT

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

Opinion

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, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization 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 (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Restivo Monacelli LLP

Providence, Rhode Island
August 4, 2021

SWIM ACROSS AMERICA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	2020	2019
ASSETS		
CASH AND CASH EQUIVALENTS	\$ 1,416,661	\$ 1,339,119
OTHER ASSETS		
Investments, at fair value	3,467,577	2,516,081
Accounts receivable	191,750	139,000
Unconditional promises to give	986,255	1,967,928
Prepaid expenses and other assets	21,415	24,637
Property and equipment, net	10,971	20,133
	4,677,968	4,667,779
TOTAL ASSETS	\$ 6,094,629	\$ 6,006,898
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 8,897	\$ 6,738
NET ASSETS		
Without donor restrictions	1,899,477	1,632,232
With donor restrictions	4,186,255	4,367,928
	6,085,732	6,000,160
TOTAL LIABILITIES AND NET ASSETS	\$ 6,094,629	\$ 6,006,898

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE			
Contributions	\$ 3,477,489	\$ 18,327	\$ 3,495,816
Grants	156,245	-	156,245
Sponsorship	241,750	-	241,750
Net assets released from restriction	200,000	(200,000)	-
TOTAL SUPPORT AND REVENUE	4,075,484	(181,673)	3,893,811
EXPENSES			
Program services	3,614,734	-	3,614,734
Supporting services			
Management and general	179,430	-	179,430
Fundraising	169,664	-	169,664
	349,094	-	349,094
TOTAL EXPENSES	3,963,828	-	3,963,828
CHANGE IN NET ASSETS FROM OPERATIONS	111,656	(181,673)	(70,017)
NON-OPERATING ACTIVITIES			
Net investment income	153,570	-	153,570
Interest income	2,019	-	2,019
TOTAL NON-OPERATING ACTIVITIES	155,589	-	155,589
CHANGE IN NET ASSETS	267,245	(181,673)	85,572
NET ASSETS, beginning	1,632,232	4,367,928	6,000,160
NET ASSETS, ending	\$ 1,899,477	\$ 4,186,255	\$ 6,085,732

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
OPERATING SUPPORT AND REVENUE			
Contributions	\$ 8,556,432	\$ 1,986,557	\$ 10,542,989
Sponsorship	349,322	-	349,322
Net assets released from restriction	200,000	(200,000)	-
	<u>9,105,754</u>	<u>1,786,557</u>	<u>10,892,311</u>
EXPENSES			
Program services	8,192,345	-	8,192,345
Supporting services			
Management and general	287,705	-	287,705
Fundraising	271,479	-	271,479
	<u>559,184</u>	<u>-</u>	<u>559,184</u>
	<u>8,751,529</u>	<u>-</u>	<u>8,751,529</u>
TOTAL EXPENSES			
	<u>8,751,529</u>	<u>-</u>	<u>8,751,529</u>
CHANGE IN NET ASSETS FROM OPERATIONS	354,225	1,786,557	2,140,782
NON-OPERATING ACTIVITIES			
Net investment income	223,850	-	223,850
Interest income	35,869	-	35,869
	<u>259,719</u>	<u>-</u>	<u>259,719</u>
TOTAL NON-OPERATING ACTIVITIES			
	<u>259,719</u>	<u>-</u>	<u>259,719</u>
CHANGE IN NET ASSETS	613,944	1,786,557	2,400,501
NET ASSETS, beginning	<u>1,018,288</u>	<u>2,581,371</u>	<u>3,599,659</u>
NET ASSETS, ending	<u>\$ 1,632,232</u>	<u>\$ 4,367,928</u>	<u>\$ 6,000,160</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	<u>Program</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 467,250	\$ 66,750	\$ 133,500	\$ 667,500
Payroll taxes	32,685	4,669	9,339	46,693
Employee benefits	80,867	11,552	23,105	115,524
	<u>580,802</u>	<u>82,971</u>	<u>165,944</u>	<u>829,717</u>
Grants - cancer research	2,435,500	-	-	2,435,500
Bank and credit card charges	111,805	-	-	111,805
Database and website	8,132	-	-	8,132
Education and promotion	82,362	9,151	-	91,513
Event specific expenses	67,962	-	-	67,962
Insurance	32,747	3,638	-	36,385
Outside services	263,128	-	-	263,128
Professional fees	-	51,201	-	51,201
Reception expenses	8,492	1,213	2,426	12,131
Registration fees	8,956	-	-	8,956
Rent	-	16,870	-	16,870
Supplies	11,089	1,232	-	12,321
Telephone	-	3,051	-	3,051
Travel and entertainment	3,182	455	909	4,546
Depreciation	577	9,648	385	10,610
	<u>3,033,932</u>	<u>96,459</u>	<u>3,720</u>	<u>3,134,111</u>
Total expenses	<u>\$ 3,614,734</u>	<u>\$ 179,430</u>	<u>\$ 169,664</u>	<u>\$ 3,963,828</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	<u>Program</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 561,729	\$ 80,247	\$ 160,494	\$ 802,470
Payroll taxes	36,494	5,213	10,427	52,134
Employee benefits	88,530	12,647	25,294	126,471
	<u>686,753</u>	<u>98,107</u>	<u>196,215</u>	<u>981,075</u>
Grants - cancer research	5,956,662	-	-	5,956,662
Bank and credit card charges	299,632	-	-	299,632
Database and website	4,799	-	-	4,799
Education and promotion	146,389	16,265	-	162,654
Event specific expenses	309,757	-	-	309,757
Insurance	37,429	4,159	-	41,588
Outside services	381,172	-	-	381,172
Professional fees	-	92,009	-	92,009
Reception expenses	120,662	17,237	34,475	172,374
Registration fees	44,977	-	-	44,977
Rent	-	22,097	-	22,097
Supplies	67,037	7,448	-	74,485
Telephone	-	4,332	-	4,332
Travel and entertainment	132,812	18,973	37,947	189,732
Depreciation	4,264	7,078	2,842	14,184
	<u>7,505,592</u>	<u>189,598</u>	<u>75,264</u>	<u>7,770,454</u>
Total expenses	<u>\$ 8,192,345</u>	<u>\$ 287,705</u>	<u>\$ 271,479</u>	<u>\$ 8,751,529</u>

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
STATEMENTS OF CASH FLOWS
Year Ended December 31, 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 85,572	\$ 2,400,501
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	10,610	14,184
Net realized and unrealized gains on investments	(117,752)	(192,669)
Discount for present value of unconditional promises to give	18,327	24,247
Changes in assets and liabilities:		
Accounts receivable	(52,750)	(139,000)
Unconditional promises to give	963,346	(1,010,804)
Prepaid expenses and other assets	3,222	8,782
Accounts payable and accrued expenses	2,159	(3,780)
	827,162	(1,299,040)
NET CASH FROM OPERATING ACTIVITIES	912,734	1,101,461
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,750,489)	(3,145,956)
Proceeds from the sale of investments	1,916,745	2,314,075
Acquisition of property and equipment	(1,448)	(18,676)
	(835,192)	(850,557)
NET CASH FROM INVESTING ACTIVITIES	(835,192)	(850,557)
NET CHANGE IN CASH AND CASH EQUIVALENTS	77,542	250,904
CASH AND CASH EQUIVALENTS, beginning	1,339,119	1,088,215
CASH AND CASH EQUIVALENTS, ending	\$ 1,416,661	\$ 1,339,119

See accompanying notes to financial statements.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

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 throughout the United States. 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 (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 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.

Investments

The Organization carries all investments at fair value and records subsequent changes in fair values in the statements of activities as a component of investment income (loss).

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2020 and 2019, 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, 2020 and 2019.

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
December 31, 2020 and 2019

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 time and effort and estimated usage of expenses.

Advertising Costs

The Organization expenses advertising costs as they are incurred. Advertising costs totaled \$91,513 and \$162,654 for the years ended December 31, 2020 and 2019, 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.

Financial Statement Presentation

Certain amounts reported in the 2019 financial statements have been reclassified to conform to the 2020 presentation.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncement

In June 2018, the FASB issued ASU 2018-08: *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (Topic 606). The amendments also provide additional guidance about how to determine whether a contribution is conditional. The Organization adopted ASU 2018-08 as of January 1, 2019.

Subsequent Events

Management has evaluated subsequent events of the Organization through August 4, 2021 the date the financial statements were available to be issued.

In January 2021, the Organization received a second paycheck protection program loan totaling \$150,000 under the Consolidated Appropriations Act. In June 2021, the Organization received full forgiveness of the loan and any accrued interest. In July 2021, the Organization received forgiveness for the remaining amount of the April 2020 paycheck protection program loan discussed in Note 6.

NOTE 2 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 1,416,661
Investments, at fair value	3,467,577
Accounts receivable	191,750
Unconditional promises to give	<u>986,255</u>
	<u>\$ 6,062,243</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.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

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 fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by authoritative guidance, are used to measure fair value.

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.
- 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, 2020 and 2019.
- 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, 2020 and 2019.

The asset's 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.

The following is a description of the valuation methodology used for assets measured at fair value.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Mutual funds: Valued at the daily closing prices as reported by the fund. Mutual funds held by the Organization are open-ended and closed-ended mutual funds that are registered with the 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. All of the Organization's mutual funds held at December 31, 2020 and 2019 were valued using Level 1 inputs.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. All of the Organization's corporate bonds held at December 31, 2020 were valued using Level 2 inputs.

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, 2020 and 2019 are summarized below.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 120,869	\$ 1,028,427
Corporate bonds:		
Short-term	339,478	-
Intermediate-term	1,559,592	-
Long-term	59,488	-
Mutual funds:		
China region	-	21,919
Corporate stock	556	-
Diversified emerging markets	-	121,659
Foreign large growth	-	1,031
Foreign large blend	142,602	289,601
Japan stock	-	32,227
Large blend	782,398	397,323
Large growth	-	81,431
Large value	-	75,026
Latin America stock	-	20,641
Mid-cap blend	315,738	274,454
Non-traditional bond	-	108,868
Small blend	<u>146,856</u>	<u>63,474</u>
	<u>\$ 3,467,577</u>	<u>\$ 2,516,081</u>

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The components of net investment income are as follows for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 55,134	\$ 38,612
Net realized and unrealized gains on investments	117,752	192,669
Investment fees	<u>(19,316)</u>	<u>(7,431)</u>
Total	<u>\$ 153,570</u>	<u>\$ 223,850</u>

NOTE 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Without donor restrictions	\$ 191,750	\$ 139,000
With donor restrictions	<u>1,000,000</u>	<u>2,000,000</u>
	1,191,750	2,139,000
Less unamortized discount	<u>13,745</u>	<u>32,072</u>
Unconditional promises to give, net	<u>\$ 986,255</u>	<u>\$ 1,967,928</u>

The unconditional promises to give as of December 31, 2020 are expected to be received in 2021.

NOTE 5 - PROPERTY AND EQUIPMENT

As of December 31, 2020 and 2019, property and equipment consisted of the following:

	<u>2020</u>	<u>2019</u>
Office equipment	\$ 7,893	\$ 9,815
Promotional equipment	122,273	122,273
Mobile application software	<u>35,425</u>	<u>35,425</u>
	165,591	167,513
Less accumulated depreciation	<u>154,620</u>	<u>147,380</u>
	<u>\$ 10,971</u>	<u>\$ 20,133</u>

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 6 - PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, the Organization obtained a paycheck protection program loan from a bank in the amount of \$156,245, with an interest rate of 1.00% per annum. The paycheck protection program loan was eligible to be spent on specific business purposes as further described in the loan agreement. If the loan proceeds were spent in accordance with the loan agreements, the Organization could apply for loan forgiveness. Management received forgiveness totaling \$136,264 during 2020 and the remaining balance has been forgiven in 2021. As the Organization met all requirements for forgiveness, the entire amount has been recorded as a conditional grant in the accompanying statement of activities for the year end December 31, 2020.

NOTE 7 - 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, 2020 and 2019, all amounts released from restriction were related to general operations.

NOTE 8 - 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 \$51,391 and \$48,269 to the Plan for the years ended December 31, 2020 and 2019, respectively.

NOTE 9 - RISKS AND UNCERTAINTIES

The COVID-19 pandemic in the United States resulted in a disruption of the Organization's operations. While the Organization's operations continue, it is possible that this pandemic could result in further disruptions, however, the related financial impact and duration cannot be reasonably estimated at this time.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 10 - GRANTS – CANCER RESEARCH

During the years ended December 31, 2020 and 2019, the Organization made grants to the following beneficiaries:

<u>Beneficiary</u>	<u>2020</u>	<u>2019</u>
Feinstein Institute for Medical Research	\$ 30,000	\$ 50,000
American Association of Cancer Research	66,000	-
UCLA Johnson Cancer Center	25,000	-
Women and Infants	35,000	150,000
Baylor Cancer Center	65,000	210,000
Seattle Cancer Care Alliance	250,000	450,000
Johns Hopkins - The Sidney Kimmel Comprehensive Care Center	160,000	415,000
Cold Spring Harbor Laboratory	30,000	50,000
Alliance for Cancer Gene Therapy	165,000	365,000
University of California San Francisco	170,000	620,000
MD Anderson Cancer Center	175,000	352,000
Share Cancer Support	10,000	14,000
Cancer Support Team of Westchester	150,000	518,500
Dana Farber Cancer Institute	60,000	120,000
Memorial Sloan-Kettering Cancer Center	270,000	721,500
Glen Cove Cares	2,000	2,000
Hollings Cancer Center	15,000	50,000
Palliative & Supportive Care of Nantucket	70,000	90,000
Nantucket Cottage Hospital	215,000	260,000
Rush University Cancer Center	65,000	210,000
Moffitt Cancer Center	10,000	55,711
Rogel Cancer Center	20,000	30,000
Massachusetts General Hospital	100,000	120,000
Children's Healthcare of Atlanta	60,000	500,000
Siteman Cancer Center	50,000	140,000
Children's Hospital of Colorado	35,000	185,000
Johns Hopkins All Children's Foundation	10,000	55,711
Levine Cancer Institute	55,000	140,000
Swimming Hall of Fame	-	4,740
Conquer Cancer Foundation	57,500	57,500
Massey Cancer Center	10,000	20,000
	<u>\$ 2,435,500</u>	<u>\$ 5,956,662</u>

NOTE 11 - AGENCY DONATIONS

In connection with the Organization's annual swim events, donations totaling \$260,000 and \$10,000 for 2020 and 2019, 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.

SWIM ACROSS AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 12 - RELATED PARTY TRANSACTIONS

During the year ended December 31, 2019, the Organization paid a board member \$9,000 for accounting and marketing services provided to the Organization. There were no related party transactions for the year ended December 31, 2020.

NOTE 13 - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, investments and unconditional promises to give. Management believes minimal credit risk exists with respect to these balances.

The organization maintains cash balances in financial institutions located in various states. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. Occasionally, the Organization has cash balances in excess of insurance limits. Cash balances in excess of \$250,000 are generally uninsured.

The Organization's unconditional promises to give represent amounts due from various corporations and individuals. As of December 31, 2020 and 2019, approximately 84% and 93%, respectively, of unconditional promises to give were due from one donor.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and that such change could materially affect investment balances and activity included in the consolidated financial statements. The Organization has a diversified portfolio for all of their investments and retains an investment advisor to attain a prudent level of diversification in an attempt to minimize risk associated with investment securities to the extent possible.