



***COLON CANCER COALITION
(A MINNESOTA NOT-FOR-PROFIT ORGANIZATION)***

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Colon Cancer Coalition, Inc.
Edina, Minnesota

We have audited the accompanying financial statements of Colon Cancer Coalition, Inc. (a Minnesota Not-For-Profit 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Colon Cancer Coalition, 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.

Boyum & Barescheer PLLP
Minneapolis, Minnesota
April 26, 2021

COLON CANCER COALITION, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,	2020	2019
ASSETS		
Cash and cash equivalents	\$ 1,877,121	\$ 1,712,500
Receivables	-	13,525
Prepaid expenses	75,208	106,359
<i>Total assets</i>	\$ 1,952,329	\$ 1,832,384
LIABILITIES AND NET ASSETS		
LIABILITIES		
Grants and awards payable	\$ 1,408,827	\$ 1,321,912
Accounts payable and accrued expenses	4,150	4,215
Deferred revenues	9,264	34,543
<i>Total liabilities</i>	1,422,241	1,360,670
NET ASSETS		
Without donor restrictions	530,088	471,714
<i>Total net assets</i>	530,088	471,714
<i>Total liabilities and net assets</i>	\$ 1,952,329	\$ 1,832,384

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 220,297	\$ -	\$ 220,297
Race sponsorships	453,887	-	453,887
Race fundraising	719,654	-	719,654
Direct benefit to donor costs	(167,892)	-	(167,892)
Grants	5,000	-	5,000
Contributions	396,227	-	396,227
Interest and dividend income	8,389	-	8,389
Government grant	139,685	-	139,685
Non-cash contributions	10,871	-	10,871
<i>Total revenues, support and other income</i>	1,786,118	-	1,786,118
EXPENSES			
Program services	1,100,823	-	1,100,823
Management and general	128,330	-	128,330
Fundraising, including race-related expenses	498,591	-	498,591
<i>Total expenses</i>	1,727,744	-	1,727,744
<i>Increase in net assets</i>	58,374	-	58,374
Net assets, beginning of year	471,714	-	471,714
<i>Net assets, end of year</i>	\$ 530,088	\$ -	\$ 530,088

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT AND OTHER INCOME			
Race registration fees	\$ 736,930	\$ -	\$ 736,930
Race sponsorships	688,553	-	688,553
Race fundraising	1,178,931	-	1,178,931
Direct benefit to donor costs	(408,701)	-	(408,701)
Grants	13,803	-	13,803
Contributions	430,570	-	430,570
Interest and dividend income	6,392	-	6,392
Non-cash contributions	16,256	-	16,256
<i>Total revenues, support and other income</i>	2,662,734	-	2,662,734
EXPENSES			
Program services	1,606,811	-	1,606,811
Management and general	211,530	-	211,530
Fundraising, including race-related expenses	672,385	-	672,385
<i>Total expenses</i>	2,490,726	-	2,490,726
<i>Increase in net assets</i>	172,008	-	172,008
Net assets, beginning of year	299,706	-	299,706
<i>Net assets, end of year</i>	\$ 471,714	\$ -	\$ 471,714

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	Supporting Services				Total
	Program	General and	Fundraising		
		Administrative	Event-related	Other	
Salaries and wages	\$ 255,137	\$ 56,074	\$ 277,566	\$ 28,037	\$ 616,814
Benefits	20,231	4,446	2,223	22,010	48,910
Payroll taxes	19,659	4,321	21,387	2,160	47,527
Insurance	5,763	1,267	6,269	633	13,932
Grants and awards	671,090	-	-	-	671,090
Event expenses	55,756	-	138,012	-	193,768
Advertising	18,103	-	19,470	5,403	42,976
Licenses and permits	-	-	-	5,913	5,913
Rent	12,635	2,777	13,745	1,388	30,545
Occupancy	1,047	230	1,139	115	2,531
Telephone	3,242	713	3,527	356	7,838
Supplies	1,029	226	1,119	113	2,487
Office supplies	-	5,020	-	-	5,020
Postage	1,293	284	1,407	142	3,126
Printing	3,000	263	1,300	131	4,694
Dues and subscriptions	4,581	1,007	4,984	503	11,075
Bank fees	-	-	74,928	-	74,928
Meetings	27	6	30	3	66
Travel	4,152	912	4,517	456	10,037
Meals and entertainment	95	21	103	10	229
Professional fees	11,546	21,003	4,600	2,020	39,169
Computer expenses	8,260	1,815	8,986	908	19,969
Contract services	3,200	27,730	9,700	-	40,630
Miscellaneous	977	215	1,063	107	2,362
Total expenses	1,100,823	128,330	596,075	70,408	1,895,636
Less direct benefit to donor costs	-	-	(167,892)	-	(167,892)
Net expenses	\$ 1,100,823	\$ 128,330	\$ 428,183	\$ 70,408	\$ 1,727,744
Percent of total expense	64%	7%	25%	4%	100%

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program	Supporting Services			Total
		General and Administrative	Event-related	Fundraising Other	
Salaries and wages	\$ 258,766	\$ 51,185	\$ 281,515	\$ 34,123	\$ 625,589
Benefits	18,638	3,687	20,276	2,457	45,058
Payroll taxes	20,728	4,100	22,550	2,733	50,111
Insurance	3,436	680	5,348	453	9,917
Grants and awards	1,125,057	-	-	-	1,125,057
Event expenses	58,732	-	463,452	-	522,184
Advertising	46,759	-	36,782	5,403	88,944
Licenses and permits	-	-	-	4,012	4,012
Rent	12,242	2,422	13,319	1,614	29,597
Occupancy	1,424	282	1,550	188	3,444
Telephone	2,973	588	3,235	392	7,188
Supplies	1,689	335	1,842	223	4,089
Office supplies	-	137	-	-	137
Postage	2,248	2,089	-	16	4,353
Printing	9,369	1,652	-	-	11,021
Dues and subscriptions	78	4,203	-	-	4,281
Bank fees	-	-	122,496	-	122,496
Meetings	1,930	1,593	-	-	3,523
Travel	20,775	2,933	36,037	-	59,745
Meals and entertainment	129	329	375	-	833
Professional fees	11,483	77,873	4,800	800	94,956
Computer expenses	5,194	4,594	6,087	5,042	20,917
Contract services	5,100	48,267	3,966	-	57,333
Miscellaneous	61	4,581	-	-	4,642
Total expenses	1,606,811	211,530	1,023,630	57,456	2,899,427
Less direct benefit to donor costs	-	-	(408,701)	-	(408,701)
Net expenses	\$ 1,606,811	\$ 211,530	\$ 614,929	\$ 57,456	\$ 2,490,726
Percent of total expense	66%	8%	25%	2%	100%

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31,	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 58,374	\$ 172,008
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in assets and liabilities:		
Receivables	13,525	16,621
Prepaid expenses	31,151	(76,763)
Grants and awards payable	86,915	108,748
Accounts payable and accrued expenses	(65)	(4,982)
Deferred revenue	(25,279)	(58,554)
	<hr/>	<hr/>
<i>Net cash provided by operating activities</i>	164,621	157,078
	<hr/>	<hr/>
<i>Increase in cash and cash equivalents</i>	164,621	157,078
Cash and cash equivalents, beginning of year	1,712,500	1,555,422
	<hr/>	<hr/>
<i>Cash and cash equivalents, end of year</i>	\$ 1,877,121	\$ 1,712,500

The Notes to Financial Statements are an integral part of these statements.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Colon Cancer Coalition, Inc. (the Coalition) was incorporated in Minnesota as a 501(c)(3) non-profit organization in August of 2006. The Coalition's mission is to empower local communities to promote prevention and early detection of colon cancer and to provide support to those affected.

The Coalition oversees run/walk events throughout the United States branded under Get Your Rear in Gear, Tour de Tush and Caboose Cup. For the years ended December 31, 2020 and 2019, 34 and 37 events were held across the United States, respectively. These races are the Coalition's primary source of revenue.

The Coalition has created a network of events that it helps manage or support. The Coalition offers local race partners committed to creating awareness in their community a proven blueprint for success, saving organizers time, money and energy to invest in the success of their event. As the network of events grows, the Coalition has the opportunity to share ideas, strategies, marketing tools and buying power amongst event leaders, sponsors, volunteers and participants.

The Coalition enters into an agreement with the local event volunteers in the city where the race is to be held. The agreement identifies the responsibilities of the Coalition and the local volunteer. The agreement specifies that 75% of net race proceeds are awarded back to the local community. The money raised is given back to the local community in the form of grants and awards to help with prevention, early detection and treatment, healthy living projects, and support for those affected by the disease.

The Coalition is a member of the Minnesota Cancer Alliance, National Colorectal Roundtable and American Society of Clinical Oncology to reduce mortality and the burden of cancer for colorectal patients.

Basis of accounting:

The financial statements of the Coalition have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of presentation:

Financial statement presentation follows the recommendations of ASC 958, Financial Statements of Not-for-Profit Organizations. Under ASC 958, the Coalition 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. As of December 31, 2020 and 2019, there were no net assets with donor restrictions.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recently issued accounting pronouncements:

In February 2016, FASB issued ASU No. 2016-02, Leases (Topic 842), which provides guidance for accounting for leases. The new guidance requires companies to recognize the assets and liabilities for the rights and obligations created by leased assets, initially measured at the present value of the lease payments. The accounting guidance for lessors is largely unchanged. For private companies, the ASU is effective for annual and interim periods beginning after December 15, 2021 with early adoption permitted. It is to be adopted using a modified retrospective approach. The Coalition is currently evaluating the impact that the adoption of this guidance will have on the Coalition's financial statements.

Revenue from contracts with customers:

Effective January 1, 2019, the Coalition adopted Accounting Standards Update (ASU) 2014-09 *Revenue from Contracts with Customers (Topic 606)* and all subsequently issued clarifying ASU's which replaced most existing revenue recognition guidance in generally accepted accounting principles in the United States of America (GAAP). The new guidance requires the Coalition to recognize revenue to depict the transfer of good or services to customers in an amount that reflects the consideration to which the Coalition expects to be entitled in exchange for those good or services. The new guidance also requires expanded disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The adoption of this new guidance was done using the modified retrospective method. The Coalition applied the new guidance using the practical expedient provided in Topic 606 that allows the guidance to be applied only to contracts that were not complete as of January 1, 2019.

The adoption of this new standard did not result in a material impact to the Coalition's financial statements. There was no significant effect on the financial statements related to the adoption of this new standard which would require a cumulative effect adjustment to net assets at the date of adoption under the modified retrospective method.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Race registrations and sponsorships:

The Coalition oversees run/walk races held across the United States. Registration fees for the races are billed to the participant at the time of registration. The race revenue is reported at the amount that reflects the consideration to which the Coalition expects to be entitled in exchange for providing the registrant access to the race. Revenue from races are recognized at the point in time the race is held and the Coalition's performance obligation to hold the race is completed. The Coalition also receives sponsorships from various companies and outside organizations in connection with sponsoring a race to be held. Race sponsors pay for sponsorship packages for races in exchange for access for their representatives to the race itself and access to registrants attending the races to promote their businesses. Registration and sponsorships for the Coalition's races open months before the races are scheduled to be held. Cash receipts for registrations and sponsorships collected in advance of the race are deferred as contract liabilities until earned when the race is held at which point the revenue is recognized. Expenses for races are incurred prior to the race being held and deferred as a contract asset until expensed which is when the race is held.

Revenue recognition for contributions received and contributions made:

Effective January 1, 2019, the Coalition has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)* as the standard improves the usefulness and understandability of the Coalition's financial reporting. The new ASU provides guidance on determining whether a transaction should be accounted for as a contribution or as an exchange transaction. A primary aspect of this guidance is the determination on whether two parties receive and sacrifice commensurate value to distinguish which guidance should be applied. FASB 958-605, Not-for-Profit Entities – Revenue Recognition should be followed for contributions while FASB 606, Revenue from Contracts with Customers should be followed for exchange transactions. The adoption of this new guidance was done using the modified prospective method for contributions received. Guidance for contributions made are applicable for periods beginning after January 1, 2020 and follows the same guidance as contributions received.

The adoption of this new standard did not result in a material impact to the Coalition's financial statements. There was no significant effect on the financial statements related to the adoption of this new standard which would require a cumulative effect adjustment to net assets at the date of adoption under the modified prospective method.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Promises to give:

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Coalition considers its Paycheck Protection Program (“PPP”) funds as a refundable advance and initially recorded as such on the statement of financial position and is following the guidelines of a conditional promise to give and therefore cannot recognize a contribution until all conditions are met which management has determined to be upon forgiveness of the loan from the bank which happened in November 2020.

Contribution and grant revenue:

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Conditional promises to give are not recognized until they become unconditional. The Coalition reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. The Coalition did not have contributions or grants considered donor restricted for the years ended December 31, 2020 and 2019.

In-kind revenue:

Contributed materials are recorded as contributions, when received, at their fair market value when such value can be objectively and accurately determined. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received.

In addition, individuals volunteer their time, performing a variety of tasks that assist the Coalition mostly with its races. This volunteer time does not meet the above definition of donated services that need to be recorded. The Coalition had approximately 4,500 and 5,000 hours of donated time towards races for each of the years ended December 31, 2020 and 2019.

Grants and awards payable:

Grants and awards payable represent amounts due back to local race partners and designated beneficiaries for races held during the previous year. The payable is recorded immediately following the race and considered unconditional subsequent to completion of the race. The race agreements state that 75% of the net proceeds are eligible for grant distribution regardless of whether grantees are known at the time of the race. Grants are typically paid the following year utilizing cash and cash equivalents to fund its obligations.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

Cash and cash equivalents:

For purposes of the statement of cash flows, the Coalition considers short-term, highly liquid investments and investments purchased with an original maturity of three months or less to be cash equivalents. The Coalition maintains its accounts in multiple commercial banks. At times, the amounts on deposit in the banks might exceed the insurance limit of the Federal Deposit Insurance Corporation.

Certificates of deposit:

The certificates of deposit are recorded at cost plus accrued interest, which approximates fair market value, and are included in cash and cash equivalents due to having a maturity of three months.

Receivables:

Receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Coalition provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances. Receivables are considered impaired if full payments are not received in accordance with contractual terms. It is the Coalition's policy to charge off uncollectible receivables when management determines that a receivable will not be collected. As of December 31, 2020 and 2019, no allowance was recorded due to the fact that the Coalition deemed the receivables to be fully collectible.

Functional allocation of expenses:

The costs of providing the various program, race and other activities of the Coalition have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs, such as payroll and related taxes and benefits, insurance and occupancy, have been allocated among the program, race and supporting services benefited based on time allocation and the best estimates of management.

The direct costs of races include security, apparel, race management, contracted labor, equipment rental, credit card and website fees and other direct race expenses.

Advertising:

Advertising is charged to expense when incurred. Advertising expenses totaled \$42,976 and \$88,944 for the years ended December 31, 2020 and 2019, respectively.

Income taxes:

Colon Cancer Coalition, Inc. is exempt from federal and Minnesota taxation pursuant to the provisions of Section 501(c) (3) of the Internal Revenue Code and Section 290.05 of the Minnesota Statutes and is only subject to federal and state income taxes on net unrelated business income. Since the Coalition had no unrelated business taxable income in 2020 and 2019 the accompanying financial statements do not include any provision for federal or state income taxes.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. (CONTINUED)

The Coalition has not been audited, and accordingly the information tax returns for the past three years are open to examination. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements based on the criteria set forth in ASC 740.

NOTE 2. REFUNDABLE ADVANCE

On May 5, 2020, the Coalition received loan proceeds (considered a refundable advance) in the amount of \$139,685 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides loans to qualifying businesses and nonprofits for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business or nonprofit. The loans and accrued interest are forgivable after eight or twenty-four weeks, to be chosen by the borrower, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight or twenty-four week period. The Coalition received confirmation of forgiveness of the loan on November 4, 2020 and subsequently recognized the grant revenue.

On February 8, 2021, the Coalition received a second PPP loan in the amount of \$139,685. The Coalition intends to use the proceeds for purposes consistent with the PPP. The Coalition currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan upon meeting all barriers, including official forgiveness from the bank.

NOTE 3. NON-CASH CONTRIBUTIONS

Included in the statements of activities are non-cash contributions as follows:

YEARS ENDED DECEMBER 31,	2020	2019
Advertising	\$ 7,500	\$ -
Race day food	-	3,460
Race day services	-	2,053
Race day awards	-	645
Race day equipment rental	3,371	958
Education	-	9,140
<i>Total</i>	\$ 10,871	\$ 16,256

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. LEASE OBLIGATIONS

The Coalition leases office space on a lease that requires escalating monthly payments through December 2023. The following is a schedule of future minimum lease payments under this lease:

YEARS ENDING DECEMBER 31,

2021	21,600
2022	22,248
2023	22,920
Total	\$ 66,768

Rent expense charged to operations under this lease amounted to \$30,545 and \$29,597 for the years ended December 31, 2020 and 2019, respectively.

NOTE 5. RETIREMENT PLAN

The Organization provides retirement benefits to its employees through a defined contribution plan covering all employees. The Organization matches 100% of contributions up to 4% of gross wages. Contributions to the plan during the years ended December 31, 2020 and 2019, totaled \$22,315 and \$23,846, respectively.

NOTE 6. SUBSEQUENT EVENTS

In preparing these financial statements, the Coalition has evaluated events and transactions for potential recognition or disclosure through April 26, 2021, the date the financial statements were available to be issued.

NOTE 7. BOARD DESIGNATED FUNDS

The Board of Colon Cancer Coalition, Inc. can authorize management to designate funds for specific projects. There were no board designated funds for the years ended December 31, 2020 and 2019.

NOTE 8. LIQUIDITY

The Coalition receives significant contributions through event donations and sponsorships which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Coalition manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

COLON CANCER COALITION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. (CONTINUED)

The Colon Cancer Coalition raises money that goes back to local communities based on events hosted by those communities in the form of a grant. These discretionary community programs are not immediately payable and fundraising throughout the year is sufficient to replenish the balance on an ongoing basis. The grant cycle is 90-360 days post-race and all monies must go through an application and review process. Grant calculations take into account and cover current working capital needs and the cash position covers 2.5 years of operating expenses.

The Coalition's financial assets available to meet cash needs for general expenditures, including grants payable, within one year as of December 31, 2020 and 2019 were \$1,877,121 and \$1,726,025, consisting of cash of \$1,877,121 and \$1,712,500 and receivables of \$0 and \$13,525, respectively.

NOTE 9. UNCERTAINTY

During the year ended December 31, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. The Coalition began offering virtual events and is slowly reintegrating in-person events coupled with the continued option for virtual participation. The Coalition has also received two rounds of PPP loans (Note 2) to help maintain cash flows. Accordingly, while management cannot quantify the financial and other impact to the Coalition as of April 26, 2021, management believes that a material impact on the Coalition's financial position and results of future operations is possible.