



**LICR FUND, INC.**

Financial Statements

December 31, 2020 and 2019

(With Independent Auditors' Report Thereon)



KPMG LLP  
345 Park Avenue  
New York, NY 10154-0102

## Independent Auditors' Report

The Board of Directors  
LICR Fund, Inc.:

We have audited the accompanying financial statements of LICR Fund, Inc., which comprise the balance sheets as of December 31, 2020 and 2019, the related statements of activities 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 LICR Fund, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

**KPMG LLP**

May 14, 2021

**LICR FUND, INC.**

Balance Sheets

December 31, 2020 and 2019

<b>Assets</b>	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	\$ 31,562	41,935
Interest and dividends receivable	389,856	408,595
Other receivables	86,309	78,035
Investments (notes 3, 4, and 5)	<u>1,976,491,409</u>	<u>1,581,542,126</u>
Total assets	<u>\$ 1,976,999,136</u>	<u>1,582,070,691</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,518,824	813,771
Due to affiliates (note 10)	7,000,000	6,000,000
Administrative service fees payable to affiliate (note 6)	910,307	880,109
Line of credit payable (note 9)	<u>22,500,000</u>	—
Total current liabilities	31,929,131	7,693,880
Net assets without donor restrictions	<u>1,945,070,005</u>	<u>1,574,376,811</u>
Total liabilities and net assets	<u>\$ 1,976,999,136</u>	<u>1,582,070,691</u>

See accompanying notes to financial statements.

**LICR FUND, INC.**

Statements of Activities

Years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue:		
Net investment return	\$ 430,344,170	235,715,768
Contributions	46,604	40,714
Total revenue	<u>430,390,774</u>	<u>235,756,482</u>
Expenses and transfers:		
Administrative expenses (notes 6 and 7)	(1,766,369)	(1,679,475)
Transfers to Ludwig Institute for Cancer Research Ltd	<u>(57,931,211)</u>	<u>(53,435,843)</u>
Total expenses and transfers	<u>(59,697,580)</u>	<u>(55,115,318)</u>
Increase in net assets	370,693,194	180,641,164
Net assets without donor restrictions at beginning of year	<u>1,574,376,811</u>	<u>1,393,735,647</u>
Net assets without donor restrictions at end of year	<u>\$ 1,945,070,005</u>	<u>1,574,376,811</u>

See accompanying notes to financial statements.

**LICR FUND, INC.**

Statements of Cash Flows

Years ended December 31, 2020 and 2019

	<b>2020</b>	<b>2019</b>
Cash flows from operating activities:		
Increase in net assets	\$ 370,693,194	180,641,164
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Net realized gains on investments	(84,688,771)	(85,305,902)
Net unrealized appreciation of investments	(349,512,044)	(153,070,349)
Decrease in interest and dividends receivable	18,739	76,671
Increase in other receivables	(8,274)	(11,349)
Increase (decrease) in accounts payable and accrued expenses	705,053	(37,426)
Increase in due to affiliates	1,000,000	6,000,000
Increase in administrative service fees payable	30,198	129,104
Net cash used in operating activities	(61,761,905)	(51,578,087)
Cash flows from investing activities:		
Proceeds from sales of investments	652,312,612	579,641,497
Purchases of investments	(613,061,080)	(528,034,416)
Net cash provided by investing activities	39,251,532	51,607,081
Cash flows from financing activity:		
Proceeds from line of credit	22,500,000	—
Net cash provided by financing activity	22,500,000	—
Net (decrease) increase in cash and cash equivalents	(10,373)	28,994
Cash and cash equivalents at beginning of year	41,935	12,941
Cash and cash equivalents at end of year	\$ 31,562	41,935

See accompanying notes to financial statements.

## LICR FUND, INC.

Notes to Financial Statements

December 31, 2020 and 2019

### (1) Organization

LICR Fund, Inc. (the Fund) is a nonprofit corporation incorporated in the state of Delaware. The Fund was established solely to further the charitable and scientific purposes of the Ludwig Institute for Cancer Research Ltd (the Institute) by receiving, holding, and investing funds on behalf of the Institute. Funds are transferred to the Institute on a monthly basis, as requested. The Institute is a Swiss nonprofit stock company. The Fund is a membership corporation with no authority to issue capital stock. The members of the board of directors of the Institute are the members of the Fund and constitute the board of directors of the Fund. The Fund commenced operations upon the receipt of gift without donor restrictions of \$500 million on July 31, 1990, with additional gifts without donor restrictions of \$24 million and \$48 million received in 1991 and 1992, respectively.

### (2) Summary of Significant Accounting Policies

The significant accounting policies followed by the Fund are described below:

#### (a) Basis of Presentation

The financial statements of the Fund are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The Fund utilizes the U.S. dollar as both the functional and reporting currency.

#### (b) Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. The significant estimates made in the preparation of these financial statements include the fair value of alternative investments. Actual results could differ from those estimates.

#### (c) Fair Value

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction among market participants on the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date or published net asset value for certain investments with characteristics similar to mutual funds.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

## LICR FUND, INC.

Notes to Financial Statements

December 31, 2020 and 2019

### **(d) Investments**

Investments with readily determinable fair values in debt and equity securities are reported at fair value based upon the last quoted market price or published net asset value for certain investment funds with characteristics similar to a mutual fund.

Publicly traded investments are valued at the last reported sales price on the date of valuation, as quoted on major securities exchanges. Securities that are not traded on major securities exchanges are valued based on quotations received from leading vendors. Forward foreign currency contracts are valued based on the average of closing bid and asked quotations from banks and brokers. Pooled investments are funds that are not held at the Fund's custodian bank. These funds are part of multiple investors' commingled funds, which are invested in one or more asset classes by a fund manager. These investments are valued at their closing published net asset value per share on the valuation date, which is their redeemable value.

The Fund invests in limited partnerships formed for the purpose of earning returns from alternative investment strategies. Investments in limited partnerships held by the Fund are reported at net asset value as a practical expedient for fair value, which generally represents the Fund's proportionate share of the net assets of the investee partnerships as reported by them and reviewed by management for reasonableness.

The underlying partnerships in which the Fund invests may hold nonmarketable securities, the fair value of which has been determined by the general partners of the respective partnerships. The Fund's proportionate share of net asset values may differ significantly from the fair values that would have been used had a ready market existed. The Fund's proportionate share of the change in values of the investee partnerships is recorded as an increase or a decrease in the net investment return (loss) in its statements of activities.

Investments in mutual funds are valued at their closing published net asset value per share on the valuation date, which is their redeemable value.

### **(e) Foreign Currency Transactions**

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the closing middle rate of exchange at December 31.

Interest income is translated at the average rate of exchange for the month in which such income was earned. Dividend income is translated at the prevailing foreign exchange rate on the ex-dividend date.

Purchases and sales of investment securities are translated at the rate of exchange prevailing on the respective dates of such transactions.

Realized and unrealized foreign exchange gains and losses include gains and losses on foreign currency transactions and changes in the value of other assets and liabilities arising as a result of changes in exchange rates.

Transfers to the Institute are made in various currencies as requested by the Institute and are translated with average monthly conversion rates as published by the Swiss VAT administration.

**LICR FUND, INC.**

Notes to Financial Statements

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**(f) Securities Transactions and Investment Income**

Securities transactions are recorded on the trade date. Realized gains and losses from securities transactions are calculated on an average-cost basis. Dividend income is recorded on the ex-dividend date, and interest income is recorded on the accrual basis. Realized gains and losses and changes in unrealized gains and losses in investments are included in net investment return in the accompanying statements of activities.

**(g) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and money market instruments, except for those instruments held by investment managers for long-term investment purposes.

**(h) Forward Foreign Currency Contracts**

The Fund enters into forward foreign currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its assets and liabilities denominated in foreign currency. A forward contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. Risks associated with such contracts include the movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. The fair value of the contract will fluctuate with changes in currency exchange rates. The gain or loss arising from the difference between the settlement value of the foreign currency purchased or sold under the contract and the fair value of such currency is included in net investment return.

**(i) Taxes**

The Fund qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income taxes on its activities that contribute substantially to its tax-exempt purposes, and is a supporting organization under Section 509(a)(3) of the Internal Revenue Code.

The Fund recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Fund's exempt purpose is subject to tax under Internal Revenue Code Section 511. The Fund did not recognize any unrelated business income tax liability for the years ended December 31, 2020 and 2019.

Withholding taxes on foreign dividends and interest have been provided for in accordance with the applicable country's tax rates. Dividend and interest income is presented net of any applicable withholding taxes.

**(j) Risks and Uncertainties**

The Fund invests in various investment securities. 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 at least reasonably possible that changes in the values of investment securities will occur in the near term and could materially affect the amounts reported in the balance sheets.



**LICR FUND, INC.**

Notes to Financial Statements

December 31, 2020 and 2019

**(k) Functional Allocation of Expenses**

The Fund presents expenses by function and natural classification. Natural expenses are accounted for on a direct cost basis to the function upon which the expense is incurred. Expenses directly attributable to generating investment returns are considered investment expenses and are reported as part of net investment return. Those expenses attributable to general administration of the Fund are reported as administrative expenses. Transfers to Ludwig Institute for Cancer Research programs are funded through net investment return.

**(3) Investments**

Investments, at fair value, held at December 31, 2020 and 2019 were as follows:

	<b>2020</b>	<b>2019</b>
Level 1 investments:		
Cash and cash equivalents:		
U.S. dollars	\$ 13,357,504	9,794,867
Foreign currencies	1,098,520	195,857
Equity investments:		
Domestic	26,286,136	33,657,863
Foreign	30,598,098	17,099,176
Fixed-income investments:		
Government	35,060,142	30,785,830
Corporate	11,929,150	3,551,225
Investments at published NAV	119,582,933	122,445,816
Due from brokers, net	19,533,161	10,326,883
Net unrealized gains on foreign currency contracts	810,427	1,236,814
	258,256,071	229,094,331
Investments at NAV:		
Pooled equity investments	451,542,874	409,101,883
Pooled fixed-income investments	17,826,253	78,439,088
Alternative investments – principally, limited partnerships	1,248,866,211	864,906,824
	1,718,235,338	1,352,447,795
Total investments	\$ 1,976,491,409	1,581,542,126

Invested cash and cash equivalents include cash, money market funds, and commercial paper held by the Fund's investment managers.

Equity investments include multiple diversified strategies that comprise large-cap, mid-cap, and small-cap holdings.

## LICR FUND, INC.

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Pooled equity investments are \$571,125,807 and \$503,367,185, including investments at published NAV of \$119,582,933 and \$94,265,302, at December 31, 2020 and 2019, respectively. The underlying securities of these investments are primarily publicly traded. Pooled fixed-income investments are \$17,826,253 and \$106,619,602, including investments at published NAV of \$28,180,514, at December 31, 2019. The pooled investments at December 31, 2020 included above have a redemption period of three months or less, with the exception of \$74,890,112, which is subject to redemption lockup set to expire in 2021 (\$37,010,896), 2022 (\$9,120,208), 2023 (\$22,950,155) and 2024 (\$5,808,853).

Alternative investments are \$1,248,866,211 and \$864,906,824, respectively, as of December 31, 2020 and 2019. The Fund's alternative investments are diversified across four basic investment strategies, as follows:

**Market neutral hedge funds** (2020: \$154,801,048; 2019: \$97,614,160) – represent investments in a broad range of investment strategies that seek to exploit opportunities as they occur in the markets due to temporary dislocations or structural inefficiencies and include event-driven strategies, distressed debt, long/short credit, merger and other arbitrage, and value investing.

**Long/short equity** (2020: \$690,595,209; 2019: \$498,348,754) – primarily, investments in funds that, in turn, invest in liquid, marketable securities, attempting to realize gains through the identification of mispriced securities, involving buying long equities that are expected to increase in value and selling short equities that are expected to decrease in value.

**Private equity** (2020: \$388,853,998; 2019: \$257,945,606) – consists of buyout and venture capital limited partnership and limited liability company investments. Private equity buyout typically involves the purchase of significant equity stakes in established companies with the goal of increasing value through financial, operational, and strategic changes. Venture capital typically involves providing capital and professional expertise to early stage businesses in exchange for equity ownership with the potential for significant growth and value creation.

**Real estate** (2020: \$14,615,956; 2019: \$10,998,304) – comprises limited partnership and limited liability company interests that focus on the purchase and development, improvement, and management of residential, commercial, and industrial real estate with value attempted to be realized through both rental income and gains from eventual property sales.

Included in net realized gains on investments are \$(1,155,241) and \$(2,757,498) of realized foreign exchange currency losses in 2020 and 2019, respectively. In addition, included in net unrealized appreciation (depreciation) of investments are \$1,959,153 and \$6,795,207 of unrealized foreign exchange currency gains in 2020 and 2019, respectively.

**LICR FUND, INC.**

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Market neutral hedge funds, long/short equity investments, pooled fixed income, and pooled equity investments contain various monthly, quarterly, semiannual, and annual redemption restrictions with required written notice ranging from 14 to 120 days. In addition, certain of these investments are restricted by initial lockup periods. As of December 31, 2020, the following table summarizes the composition of \$1,434,348,318 at fair value of investments by the various redemption provisions and lockup periods:

<u>Redemption period</u>	<u>Amount</u>
Daily	\$ 119,582,933
Monthly	286,679,034
Quarterly	720,392,400
Semi-annual	19,375,932
Annual	92,640,354
Lockup (a)	<u>195,677,665</u>
Total	<u>\$ 1,434,348,318</u>

(a) The amounts subject to redemption lockup are set to expire in 2021 (\$129,412,007), 2022 (\$27,744,732), 2023 \$(36,002,842), and pending liquidation \$(2,518,084).

The Fund's private equity and real estate limited partnership and limited liability company interests, of \$403,469,954, are generally for seven- to ten-year terms including extensions. These investments also contain minimum subscription or capital commitments. Unfunded capital commitments approximated \$176,427,206 at December 31, 2020. The Fund maintains sufficient liquidity in its investment portfolio to cover such capital commitments.

**LICR FUND, INC.**

Notes to Financial Statements

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**(4) Forward Foreign Currency Contracts**

The notional values of the forward foreign currency contracts held by the Fund, translated at the year-end exchange rates, were as follows:

	<b>2020</b>			
	<b>Sales</b>		<b>Purchases</b>	
	<b>Local</b>	<b>U.S. dollar</b>	<b>Local</b>	<b>U.S. dollar</b>
Australian dollar	—	\$ —	1,580,000	\$ 1,219,765
Canadian dollar	1,890,000	1,483,691	—	—
Chilean peso	1,780,000,000	2,505,005	—	—
Colombian peso	4,015,000,000	1,173,842	—	—
Czech koruna	41,400,000	1,929,006	—	—
Hungarian forint	550,000,000	1,855,451	—	—
Indian rupee	105,000,000	1,433,099	—	—
Japanese yen	694,000,000	6,724,074	694,000,000	6,724,074
Mexican peso	14,400,000	720,258	—	—
Norwegian krone	13,100,000	1,529,708	—	—
Polish zloty	6,670,000	1,790,396	2,980,000	799,907
Pound sterling	5,180,000	7,083,446	—	—
Russian ruble	156,000,000	2,099,085	—	—
South African rand	—	—	23,200,000	1,571,438
South Korean won	3,100,000,000	2,850,778	—	—
U.S. dollar	10,039,805	10,039,805	32,092,032	32,092,032

  

	<b>2019</b>			
	<b>Sales</b>		<b>Purchases</b>	
	<b>Local</b>	<b>U.S. dollar</b>	<b>Local</b>	<b>U.S. dollar</b>
Australian dollar	2,650,000	\$ 1,864,880	—	\$ —
Chilean peso	1,801,000,000	2,396,304	—	—
Czech koruna	16,400,000	724,380	—	—
Hong Kong dollar	2,154,957	276,567	2,504,905	321,480
Indonesian rupiah	4,000,000,000	288,516	—	—
Mexican peso	3,700,000	194,581	12,200,000	641,591
New Zealand dollar	2,070,000	1,397,266	—	—
Norwegian krone	19,300,000	2,196,720	—	—
Polish zloty	1,960,000	517,534	—	—
Pound sterling	15,190,000	20,149,052	10,740,000	14,245,539
Russian ruble	31,000,000	497,122	—	—
South Korean won	2,424,000,000	2,100,970	—	—
South African rand	—	—	21,300,000	1,513,751
Swedish krona	18,300,000	1,956,294	600,000	64,141
U.S. dollar	16,397,092	16,397,092	32,933,962	32,933,962

**LICR FUND, INC.**

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These forward foreign currency contracts mature on varying dates through March 11, 2021. The net unrealized gains on forward foreign currency contracts of \$810,427 and \$1,236,814 at December 31, 2020 and 2019, respectively, are included in investments and represent the changes in the aggregate fair value of these instruments from the time of the Fund's investment. The ultimate gain or loss on the disposition or the execution of these contracts may differ from the amount recorded in the balance sheets at December 31, 2020 and 2019 due to subsequent changes in exchange rates or due to counterparty nonperformance. The gross unrealized gain on forward foreign currency contracts of \$1,091,518 and \$1,673,368 and gross unrealized loss of \$281,091 and \$436,554 represent the Fund's aggregate risk of counterparty nonperformance at December 31, 2020 and 2019, respectively.

**(5) Foreign Currencies and Geographic Composition of Investments**

Investments in foreign securities may involve considerations different from investments in domestic securities due to various factors, which may include, without limitation; limited publicly available information; nonuniform accounting standards; lower trading volumes and lower liquidity; the possible imposition of withholding, confiscatory, and other taxes; the possible adoption of foreign governmental restrictions affecting the payment of principal and interest; changes in currency exchange rates and currency exchange control regulations; expropriation; or other adverse political or economic developments.

In addition, it may be more difficult to obtain and enforce a judgment against a foreign issuer or a foreign branch of a domestic bank. Further, to the extent investments in foreign securities are denominated in currencies of foreign countries, the Fund may be affected favorably or unfavorably by changes in currency exchange rates and in exchange control regulations and may incur costs in connection with conversion among currencies.

**LICR FUND, INC.**

Notes to Financial Statements

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The geographic composition of the investments held, as measured by percentage of market value of country of risk, is presented in the tables below. Alternative investment strategies that are denominated in U.S. dollars have been categorized as United States, except where currency and geographic composition can be determined:

	<b>2020</b>		
	<b>Equity managers/ alternatives</b>	<b>Fixed-income managers</b>	<b>Combined</b>
United States	81.70 %	37.21 %	80.13 %
Hong Kong	8.36	—	8.06
Cayman Islands	6.63	—	6.39
Brazil	1.71	1.68	1.71
United Kingdom	1.09	10.53	1.42
Mexico	—	10.91	0.38
Guernsey CI	0.20	—	0.19
Luxembourg	0.19	—	0.18
South Korea	—	4.24	0.15
France	0.12	0.44	0.14
Colombia	—	3.75	0.13
Chile	—	3.72	0.13
Canada	—	3.69	0.13
Russia	—	3.12	0.11
Malaysia	—	3.08	0.11
Czech Republic	—	2.87	0.10
Hungary	—	2.76	0.10
Indonesia	—	2.73	0.10
Other	—	9.27	0.34
	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

**LICR FUND, INC.**

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	<b>2019</b>		
	<b>Equity managers/ alternatives</b>	<b>Fixed-income managers</b>	<b>Combined</b>
United States	83.28 %	75.46 %	82.58 %
Cayman Islands	6.49	—	5.91
Hong Kong	6.32	—	5.75
Brazil	2.19	1.17	2.10
United Kingdom	1.10	4.16	1.37
Mexico	—	3.33	0.30
Australia	—	2.58	0.23
Chile	—	1.69	0.15
Norway	—	1.55	0.14
South Korea	—	1.48	0.13
Poland	—	1.39	0.13
Sweden	—	1.33	0.12
Other	0.62	5.86	1.09
	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

**(6) Administrative Service Fees**

The Fund has no employees. An affiliated entity, The Ludwig Group, Inc. (LGI), provides management and administrative services to the Fund under an administrative services agreement. Fees are determined by time allocated to the Fund by LGI employees. Administrative service fees of \$1,076,976 and \$1,003,709 are included in administrative expenses in 2020 and 2019, respectively.

**(7) Functional Allocation of Expenses**

Administrative expenses at December 31, 2020 and 2019 are classified as follows:

	<b>2020</b>	<b>2019</b>
Professional services	\$ 1,047,396	984,469
Occupancy costs	604,097	563,697
Taxes	32,983	53,889
Insurance	81,893	77,420
	<u>\$ 1,766,369</u>	<u>1,679,475</u>

## LICR FUND, INC.

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### (8) Liquidity and Availability

The Fund transfers cash to its administrative account on a quarterly basis to cover general administrative expenses. Included within investments are cash and cash equivalents available to satisfy obligations related to investing. Any obligations due that exceed the cash and cash equivalents component of investments are met by redeeming a portion of invested funds while taking into consideration the redemption periods discussed in note 3. Financial assets available for general expenditures within one year of December 31 are as follows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 31,562	41,935
Interest and dividends receivable	389,856	408,595
Other receivables	86,309	78,035
Investments:		
Cash and cash equivalents	14,456,024	9,990,724
Equity and fixed - income investments	103,873,526	85,094,094
Due from brokers, net	19,533,161	10,326,883
Alternative investments redeemable within one year	1,238,670,653	1,007,169,383
Investments with lock-ups expiring within one year	129,412,007	124,437,524
Less collateralized qualifying assets (line of credit)	<u>(72,000,000)</u>	<u>(36,000,000)</u>
Total financial assets available for general expenditures within one year	<u>\$ 1,434,453,098</u>	<u>1,201,547,173</u>

### (9) Line of Credit

The Fund obtained an advised line of credit through its financial institution on April 10, 2019. The total credit available under this agreement is \$25,000,000 and \$15,000,000 as of December 31, 2020 and 2019, respectively, out of which \$22,500,000 remains outstanding at December 31, 2020. There were no amounts outstanding as of December 31, 2019. The expiration date is August 30, 2021 and the agreement may be terminated by either party with written notice. The line of credit is collateralized by qualifying assets with a fair value of approximately \$72,000,000 and \$36,000,000 at December 31, 2020 and 2019, respectively.

### (10) Revolving Inter-company Loan Facility Agreement

The Fund entered into a revolving inter-company loan facility agreement with the Institute effective November 18, 2020. The expiration date is September 30, 2021 and the agreement may be terminated by either party with written notice. In the absence of valid termination by either party, the agreement shall automatically be extended for an additional one calendar year following the expiration date. As of December 31, 2020, there was \$7,000,000 outstanding.



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**(11) Subsequent Events**

In connection with the preparation of the financial statements, the Fund evaluated subsequent events after the balance sheet date of December 31, 2020 through May 14, 2021, which was the date the financial statements were available to be issued, and determined that there were no matters that are required to be disclosed.