

THE BRIAN GRANT FOUNDATION

Reviewed Financial Statements

For the Year Ended December 31, 2017



McDONALD JACOBS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
The Brian Grant Foundation

We have reviewed the accompanying financial statements of The Brian Grant Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the Organization's 2016 reviewed financial statements, and based on our report dated February 27, 2017, we were not aware of any material modifications that should be made, to those statements for them to be in conformity with generally accepted accounting principles.

McDonald Jacobson, P.C.

Portland, Oregon
March 12, 2018

THE BRIAN GRANT FOUNDATION
STATEMENT OF FINANCIAL POSITION
December 31, 2017
(With comparative totals for 2016)

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 413,879	\$ 166,683
Pledge receivable	86,000	150,000
Prepaid expenses and other assets	5,161	3,709
Property and equipment, net	47,124	15,640
 TOTAL ASSETS	 \$ 552,164	 \$ 336,032
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 6,092	\$ 5,889
Deferred revenue	50	4,400
Note payable - related party	171,591	247,764
Total liabilities	177,733	258,053
Net assets (deficit):		
Unrestricted:		
Undesignated	216,857	(121,724)
Net property and equipment	47,124	15,640
Total unrestricted net assets (deficit)	263,981	(106,084)
Temporarily restricted	110,450	184,063
Total net assets	374,431	77,979
 TOTAL LIABILITIES AND NET ASSETS	 \$ 552,164	 \$ 336,032

See independent accountant's review report and notes to financial statements.

THE BRIAN GRANT FOUNDATION
STATEMENT OF ACTIVITIES
For the year ended December 31, 2017
(With comparative totals for 2016)

	2017			2016 Total
	Unrestricted	Temporarily Restricted	Total	
Support and revenue:				
Event support and revenue:				
Ticket sales and sponsorships	\$ 180,357	\$ -	\$ 180,357	\$ 65,550
Paddle raise	172,950	-	172,950	79,200
Auction, raffle and other	46,858	-	46,858	51,555
Total event support and revenue	400,165	-	400,165	196,305
Direct costs of events	37,023	-	37,023	24,443
Net event support and revenue	363,142	-	363,142	171,862
Contributions - general	209,091	115,000	324,091	550,965
Other revenue	2,078	-	2,078	1,810
Net assets released from restriction:				
Satisfaction of purpose restriction	188,613	(188,613)	-	-
Total support and revenue	<u>762,924</u>	<u>(73,613)</u>	<u>689,311</u>	<u>724,637</u>
Expenses:				
Program expenses	287,484	-	287,484	192,582
Management and general	75,545	-	75,545	73,546
Fundraising	29,830	-	29,830	44,603
Total expenses	<u>392,859</u>	<u>-</u>	<u>392,859</u>	<u>310,731</u>
Change in net assets	370,065	(73,613)	296,452	413,906
Net assets (deficit):				
Beginning of year	<u>(106,084)</u>	<u>184,063</u>	<u>77,979</u>	<u>(335,927)</u>
End of year	<u>\$ 263,981</u>	<u>\$ 110,450</u>	<u>\$ 374,431</u>	<u>\$ 77,979</u>

See independent accountant's review report and notes to financial statements.

THE BRIAN GRANT FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2017
(With comparative totals for 2016)

	2017				2016 Total
	Program Services	Management and General	Fundraising	Total	
Salaries and related costs	\$ 99,453	\$ 27,493	\$ 22,493	\$ 149,439	\$ 152,774
Direct program	145,468	-	-	145,468	46,112
Professional fees	16,762	33,624	-	50,386	41,956
Website and marketing	3,339	733	425	4,497	2,110
Postage and printing	85	25	800	910	12,782
Rent	3,176	5,241	4,288	12,705	16,373
Telephone	660	224	-	884	3,484
Travel	1,352	451	303	2,106	1,279
Insurance	3,875	2,176	-	6,051	6,235
Office expenses	1,900	438	359	2,697	6,041
Depreciation and amortization	11,345	3,385	1,162	15,892	16,042
Other operating costs	69	1,755	-	1,824	5,543
Total expenses	<u>\$ 287,484</u>	<u>\$ 75,545</u>	<u>\$ 29,830</u>	<u>\$ 392,859</u>	<u>\$ 310,731</u>

See independent accountant's review report and notes to financial statements.

THE BRIAN GRANT FOUNDATION
STATEMENT OF CASH FLOWS
For the year ended December 31, 2017
(With comparative totals for 2016)

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 296,452	\$ 413,906
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	15,892	16,042
Loss on disposal of asset	-	1,439
Note payable converted to contribution - related party	-	(150,000)
(Increase) decrease in:		
Pledge receivable	64,000	(150,000)
Prepaid expenses and other assets	(1,452)	(1,442)
Increase (decrease) in:		
Accounts payable and accrued expenses	203	(236,075)
Deferred revenue	<u>(4,350)</u>	<u>4,400</u>
Net cash provided by (used in) operating activities	<u>370,745</u>	<u>(101,730)</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(47,376)</u>	<u>(7,250)</u>
Net cash used in investing activities	<u>(47,376)</u>	<u>(7,250)</u>
Cash flows from financing activities:		
Proceeds from note payable - related party	3,846	396,846
Payments on note payable	-	(100,000)
Payments on note payable - related party	<u>(80,019)</u>	<u>(21,183)</u>
Net cash provided by (used in) financing activities	<u>(76,173)</u>	<u>275,663</u>
Net increase in cash and cash equivalents	247,196	166,683
Cash and cash equivalents - beginning of year	<u>166,683</u>	<u>-</u>
Cash and cash equivalents - end of year	<u>\$ 413,879</u>	<u>\$ 166,683</u>

See independent accountant's review report and notes to financial statements.

THE BRIAN GRANT FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

1. THE ORGANIZATION

The Brian Grant Foundation (the Organization) is a nonprofit corporation, founded in 2010, providing tools to improve the well being of people with Parkinson's. The Organization accomplishes its mission through events which provide opportunities for public education and programs which focus on exercise, nutrition and community building for those impacted by Parkinson's.

The Organization receives support primarily from contributions and special events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as unrestricted or restricted net assets. Unrestricted net assets are those that are not subject to donor-imposed stipulations. Temporarily restricted net assets are subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Pledges Receivable

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Management considers history with donors, and current economic and industry trends when determining the collectability of specific accounts. As a result, management determined that an allowance for doubtful accounts is not necessary.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated value on the date received.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION
NOTES TO FINANCIAL STATEMENTS, CONTINUED
December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *Continued*

Property and Equipment, Continued

Cost incurred for website development, including software with an estimated life of three years or more, are capitalized. Such assets are recorded at cost if purchased or at fair value on the date of donation.

Depreciation

Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets which range from three to five years. Amortization of website costs is computed using the straight-line method over three years.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated Assets and Services

Donations of equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial 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.

During 2017 and 2016, the Organization received venue space, food and beverages and other items used for the direct benefit of attendees to the Organization's events.

Deferred Revenue

Fees received in advance for events to be held in a subsequent period are deferred and recorded as a liability and recognized as revenue during the period in which the event occurs.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION
NOTES TO FINANCIAL STATEMENTS, CONTINUED
December 31, 2017

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Income Tax Status

The Brian Grant Foundation is a nonprofit corporation exempt from federal and state income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as the Organization has no activities subject to unrelated business income tax. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC Topic Accounting for Uncertainty in Income Taxes. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

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 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.

Subsequent Events

The Organization has evaluated all subsequent events through March 12, 2018, the date the financial statements were available to be issued.

Summarized Financial Information for 2016

The financial information as of December 31, 2016 and for the year then ended is presented for comparative purposes and is not intended to be a complete financial statement presentation.

3. **PLEDGE RECEIVABLE**

The pledges receivable at December 31, 2017 and 2016 are due from the same donor and expected to be collected within one year.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION
NOTES TO FINANCIAL STATEMENTS, CONTINUED
December 31, 2017

4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Website	\$ 100,025	\$ 52,649
Furniture and equipment	<u>3,392</u>	<u>3,392</u>
Total property and equipment	103,417	56,041
Less accumulated depreciation and amortization	<u>56,293</u>	<u>40,401</u>
Net property and equipment	<u>\$ 47,124</u>	<u>\$ 15,640</u>

5. NOTE PAYABLE

The Organization borrowed funds in 2016 from a board member with no interest. The board member forgave \$150,000 of the loan during the year ended December 31, 2016. The note is unsecured and the outstanding balance due on the note totals \$171,591 and \$247,764 at December 31, 2017 and 2016, respectfully. Currently, a required payment date has not been scheduled for the loan.

6. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Exercise for Parkinson's training	\$ 95,000	\$ 9,063
Power Through Project	<u>15,450</u>	<u>175,000</u>
Total temporarily restricted net assets	<u>\$ 110,450</u>	<u>\$ 184,063</u>

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION
NOTES TO FINANCIAL STATEMENTS, CONTINUED
December 31, 2017

7. LEASE COMMITMENTS

The Organization entered into a lease agreement from May 2016 through May 2020 with current monthly rent of \$1,080 increasing to \$1,285 in June 2018.

Additionally, the Organization leased a copier through March 2017 with monthly rent of \$169.

Rent expense under all leases totaled approximately \$12,700 and \$16,400 for the years ended December 31, 2017 and 2016, respectively.

Future minimum lease commitments are as follows:

Years ending December 31, 2018	\$ 14,400
2019	15,400
2020	<u>6,400</u>
	<u>\$ 36,200</u>

8. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balance in a financial institution located in Portland. The balance is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balance, at times, may exceed the federally insured limit. Uninsured balances totaled approximately \$166,200 at December 31, 2017. There were no uninsured balances at December 31, 2016.

For the year ended December 31, 2017, contributions from one donor approximated 11% of total revenue. For the year ended December 31, 2016, contributions from two donors approximated 49% of total revenue. One of the contributions was received through the reduction of debt due to a related party (see Note 5).

See independent accountant's review report.