

# THE BRIAN GRANT FOUNDATION

Reviewed Financial Statements

For the Year Ended December 31, 2019



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, 2019, 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 2018 reviewed financial statements, and based on our report dated March 13, 2019, we were not aware of any material modifications that should be made, to those statements for them to be in accordance with generally accepted accounting principles.

*McDonald Jacoby, P.C.*

Portland, Oregon  
March 16, 2020

THE BRIAN GRANT FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
December 31, 2019  
(With comparative totals for 2018)

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 943,235	\$ 678,878
Pledges receivable	71,000	20,000
Prepaid expenses and other assets	22,265	6,884
Property and equipment, net	9,727	28,325
 TOTAL ASSETS	 \$ 1,046,227	 \$ 734,087
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 25,262	\$ 5,790
Deferred event revenue	14,875	10,150
Note payable - related party	29,317	95,705
Total liabilities	69,454	111,645
Net assets:		
Without donor restrictions:		
Undesignated net assets	775,534	567,903
Net property and equipment	9,727	28,325
Total without donor restrictions	785,261	596,228
With donor restrictions	191,512	26,214
Total net assets	976,773	622,442
 TOTAL LIABILITIES AND NET ASSETS	 \$ 1,046,227	 \$ 734,087

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

THE BRIAN GRANT FOUNDATION  
STATEMENT OF ACTIVITIES  
For the year ended December 31, 2019  
(With comparative totals for 2018)

	2019			2018 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Support and revenue:</b>				
Event support and revenue:				
Ticket sales and sponsorships	\$ 159,755	\$ -	\$ 159,755	\$ 180,029
Paddle raise	125,525	-	125,525	160,200
Auction, raffle and other	68,056	-	68,056	41,340
Total event support and revenue	353,336	-	353,336	381,569
Direct costs of events	35,621	-	35,621	24,370
Net event support and revenue	317,715	-	317,715	357,199
Contributions	143,756	379,111	522,867	333,190
Other revenue	10,788	-	10,788	6,505
Net assets released from donor restrictions:				
Satisfaction of purpose restriction	213,813	(213,813)	-	-
Total support and revenue	686,072	165,298	851,370	696,894
<b>Expenses:</b>				
Program services	361,051	-	361,051	321,122
Management and general	82,050	-	82,050	81,829
Fundraising	53,938	-	53,938	45,932
Total expenses	497,039	-	497,039	448,883
Change in net assets	189,033	165,298	354,331	248,011
<b>Net assets:</b>				
Beginning of year	596,228	26,214	622,442	374,431
End of year	\$ 785,261	\$ 191,512	\$ 976,773	\$ 622,442

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

THE BRIAN GRANT FOUNDATION  
STATEMENTS OF FUNCTIONAL EXPENSES  
For the years ended December 31, 2019 and 2018

	2019				2018			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and related costs	\$ 147,421	\$ 51,250	\$ 41,931	\$ 240,602	\$ 112,938	\$ 49,014	\$ 40,103	\$ 202,055
Direct program	88,825	-	-	88,825	115,660	-	-	115,660
Professional services	15,138	21,464	-	36,602	13,489	22,759	-	36,248
Website and marketing	71,365	-	7,380	78,745	46,712	-	781	47,493
Postage and printing	110	37	-	147	101	33	835	969
Rent	11,249	4,317	3,532	19,098	7,196	3,958	3,238	14,392
Telephone	708	236	-	944	667	222	-	889
Travel	1,350	450	-	1,800	1,383	451	200	2,034
Insurance	2,952	2,148	-	5,100	2,878	2,040	-	4,918
Office expenses	3,299	787	644	4,730	1,027	391	320	1,738
Depreciation and amortization	17,999	148	451	18,598	18,196	148	455	18,799
Other operating costs	36,256	1,213	-	37,469	25,245	2,813	-	28,058
	<u>396,672</u>	<u>82,050</u>	<u>53,938</u>	<u>532,660</u>	<u>345,492</u>	<u>81,829</u>	<u>45,932</u>	<u>473,253</u>
Less special event direct benefit expenses netted with revenue	<u>(35,621)</u>	<u>-</u>	<u>-</u>	<u>(35,621)</u>	<u>(24,370)</u>	<u>-</u>	<u>-</u>	<u>(24,370)</u>
Total expenses	<u>\$ 361,051</u>	<u>\$ 82,050</u>	<u>\$ 53,938</u>	<u>\$ 497,039</u>	<u>\$ 321,122</u>	<u>\$ 81,829</u>	<u>\$ 45,932</u>	<u>\$ 448,883</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, 2019  
(With comparative totals for 2018)

	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 354,331	\$ 248,011
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	18,598	18,799
(Increase) decrease in:		
Pledges receivable	(51,000)	66,000
Prepaid expenses and other assets	(15,381)	(1,723)
Increase (decrease) in:		
Accounts payable and accrued expenses	19,472	(302)
Deferred revenue	4,725	10,100
Net cash flows from operating activities	<u>330,745</u>	<u>340,885</u>
 <b>Cash flows from financing activities:</b>		
Payments on note payable - related party	<u>(66,388)</u>	<u>(75,886)</u>
Net cash flows from financing activities	<u>(66,388)</u>	<u>(75,886)</u>
 Net change in cash and cash equivalents	264,357	264,999
 Cash and cash equivalents - beginning of year	<u>678,878</u>	<u>413,879</u>
 Cash and cash equivalents - end of year	<u>\$ 943,235</u>	<u>\$ 678,878</u>

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

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

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

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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- (or certain grantor-) 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. 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.

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.

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.

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.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS, CONTINUED  
December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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.

Revenue Recognition

**Contributions:** Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional contributions and promises to give with measurable performance requirements or other barriers, and/or a right of return, are not recognized until the conditions on which they depend have been 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.

**Special Events and Deferred Revenue:** The Organization recognizes special events revenue, including sponsorships, equal to the fair value of direct benefits to donors, and contribution income, conditional upon the event occurring, for the excess received when the event takes place. Unearned amounts are reported as deferred revenue on the statement of financial position. At December 31, 2019 and 2018, the Organization has deferred event revenue totaling \$14,875 and \$10,150, respectively, which is recognized when the event takes place.

**Donated Assets, Materials and Services:** Donations of materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donation 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.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS, CONTINUED  
December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related costs, professional services, office expenses, rent, depreciation and amortization, insurance, and other, which are allocated on the basis of estimates of time and effort.

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 740 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.

Change in Accounting Principles

The Organization has implemented Accounting Standards Update 2014-09, *Revenue from Contracts with Customers*. This standard establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and expands disclosures about revenue. There was no significant impact to the Organization's revenue recognition in either year presented for this change in accounting principle.

The Organization also implemented Accounting Standards Update 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists organizations in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The provisions of ASU 2018-08 were implemented applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. There was no significant impact to the Organization's revenue recognition in either year presented for this change in accounting principle.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS, CONTINUED  
December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, 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 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 16, 2020, the date the financial statements were available to be issued.

Summarized Financial Information for 2018

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our reviewed financial statements for the year ended December 31, 2018, from which the summarized information was derived.

3. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets of the Organization consist of the following at December 31, 2019 and 2018:

	2019	2018
Financial assets:		
Cash and cash equivalents	\$ 943,235	\$ 678,878
Pledges receivable	71,000	20,000
Total financial assets	1,014,235	698,878
Less amounts with donor restrictions	(191,512)	(26,214)
Financial assets available for general expenditure	\$ 822,723	\$ 672,664

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS, CONTINUED  
December 31, 2019

4. PLEDGES RECEIVABLE

Pledges receivable at December 31, 2019 and 2018 are expected to be collected within one year. The balance at December 31, 2019 is due from one donor (balance at December 31, 2018 is due from a different donor).

The Organization was awarded a pledge of \$56,500 contingent on meeting matching requirements. If the conditions are satisfied, the Organization will receive \$28,500 in each of the next two fiscal years. Accordingly, the conditional pledge is not reflected in the financial statements. The Organization will recognize the pledge as revenue when conditions have been met.

5. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2019 and 2018:

	2019	2018
Website	\$ 100,025	\$ 100,025
Furniture and equipment	3,392	3,392
Total property and equipment	103,417	103,417
Less accumulated depreciation and amortization	93,690	75,092
Net property and equipment	\$ 9,727	\$ 28,325

6. NOTE PAYABLE

The Organization borrowed funds in 2016 from a board member with no interest. The note is unsecured and the outstanding balance due on the note totals \$29,317 and \$95,705 at December 31, 2019 and 2018, respectively. Currently, a required payment date has not been scheduled for the loan; however, management estimates that this loan will be fully repaid during 2020.

See independent accountant's review report.

THE BRIAN GRANT FOUNDATION  
NOTES TO FINANCIAL STATEMENTS, CONTINUED  
December 31, 2019

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2019 and 2018:

	2019	2018
Online training	\$ 65,000	\$ -
Capacity building	78,308	-
Grant's Army	31,000	-
Power Through Project	6,715	20,000
Other programs	10,489	6,214
Total net assets with donor restrictions	\$ 191,512	\$ 26,214

8. LEASE COMMITMENTS

The Organization leases its administrative offices under an operating lease agreement through May 2020 with monthly rent of approximately \$1,900, subject to annual increases. Rent expense under the lease totaled approximately \$19,000 and \$14,400 for the years ended December 31, 2019 and 2018, respectively. Future minimum lease commitments total \$9,400 for the year ending December 31, 2020.

9. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in one financial institution. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. Balances in excess of insured limits were approximately \$707,200 and \$431,700 as of December 31, 2019 and 2018, respectively.

The Organization's revenues were concentrated with 40% of total revenues coming from two donors in 2019 (11% from one source in 2018).

See independent accountant's review report.