

THE BRAIN ANEURYSM FOUNDATION, INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

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S. J. Dennen, CPA, P.C.

Independent Auditor's Report

To The Board of Directors
The Brain Aneurysm Foundation, Inc.
Hanover, Massachusetts

I have audited the accompanying statements of financial position of The Brain Aneurysm Foundation, Inc. (a not-for-profit corporation), which comprises the statement of financial position as of December 31, 2018 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 generally accepted auditing standards 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 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 control. Accordingly, I 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.

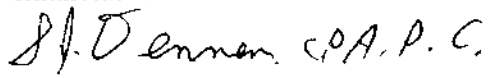
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Brain Aneurysm Foundation, Inc. as of December 31, 2018, 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

Report on Summarized Comparative Information

I have previously audited The Brain Aneurysm Foundation's 2017 financial statements, and my report dated August 3, 2018, expressed an unmodified opinion on those audited financial statements. In my opinion, the summarized comparative information presented herein as of, and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.



S.J. Dennen, CPA, P.C.
North Andover, Massachusetts
October 24, 2019

THE BRAIN ANEURYSM FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

| | ASSETS | |
|---------------------------------------|-------------------------|-----------------------|
| | 2018 | 2017 |
| Current Assets | | |
| Cash and cash equivalents | \$ 305,523 | \$ 194,394 |
| Receivables | 55,562 | 1,993 |
| Investments | 607,557 | 673,082 |
| Prepaid expenses | 6,025 | 11,471 |
| Total Current Assets | 974,667 | 880,940 |
| Property and Equipment-Net | 5,305 | 14,476 |
| Other Assets | | |
| Trademarks | 22,032 | 22,032 |
| Total Assets | \$ 1,002,004 | \$ 917,448 |

LIABILITIES AND NET ASSETS

| | | |
|--|-------------------------|-----------------------|
| Current Liabilities | | |
| Accounts payable and accrued expenses | \$ 16,493 | \$ 28,274 |
| Deferred Revenue | 20,000 | 27,300 |
| Current portion of long-term debt | 0 | 6,019 |
| Total Current Liabilities | 36,493 | 61,593 |
| Long-Term Debt, Net of Current Maturities | 0 | 0 |
| Total Liabilities | 36,493 | 61,593 |
| Net Assets | | |
| Without Donor restrictions | 965,511 | 855,855 |
| With Donor restriction | 0 | 0 |
| Total Net Assets | 965,511 | 855,855 |
| Total Liabilities and Net Assets | \$ 1,002,004 | \$ 917,448 |

See accompanying notes to financial statements.

THE BRAIN ANEURYSM FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

| | 2018 | | 2017 | |
|--|----------------------------------|-------------------------------|-------------------|-------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| Revenues and Support | | | | |
| Contributions | \$ 787,081 | 240,970 | \$ 1,028,051 | \$ 589,976 |
| Special events - net | 614,674 | - | 614,674 | 565,194 |
| Promotional item sales-net | 4,554 | - | 4,554 | 5,423 |
| Net realized and unrealized gains (loss) on Investments | (66,446) | - | (66,446) | 81,985 |
| Interest/Dividends | 11,392 | - | 11,392 | 12,040 |
| Total Revenues and Support | <u>1,351,255</u> | <u>240,970</u> | <u>1,592,225</u> | <u>1,254,618</u> |
| Net Assets Released from Restrictions | <u>240,970</u> | <u>(240,970)</u> | <u>-</u> | <u>-</u> |
| Total Revenues, Support and Released Restrictions | 1,592,225 | - | 1,592,225 | 1,254,618 |
| Functional Expenses | | | | |
| Program Services | 1,016,042 | - | 1,016,042 | 881,539 |
| Management and General | 249,146 | - | 249,146 | 166,037 |
| Fundraising | 217,381 | - | 217,381 | 147,239 |
| Total Expenses | <u>1,482,569</u> | <u>-</u> | <u>1,482,569</u> | <u>1,194,815</u> |
| Increase (decrease) in Net Assets | 109,656 | - | 109,656 | 59,803 |
| Net Assets, Beginning of Year | <u>855,855</u> | <u>-</u> | <u>855,855</u> | <u>796,052</u> |
| Net Assets, End of Year | <u>\$ 965,511</u> | <u>\$ -</u> | <u>\$ 965,511</u> | <u>\$ 855,855</u> |

See accompanying notes to financial statements.

**THE BRAIN ANEURYSM FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

| | Program Services | Management and General | Fundraising | 2018 Total Expenses | 2017 Total Expenses |
|-----------------------------------|---------------------|------------------------------|-------------------|---------------------------|---------------------------|
| Expenses | | | | | |
| Awareness and education | \$ 128,572 | \$ - | \$ - | \$ 128,572 | \$ 80,925 |
| Advocacy | 12,103 | - | - | 12,103 | 16,479 |
| Bank and credit card fees | - | 26,354 | - | 26,354 | 23,128 |
| Depreciation | 273 | 8,900 | - | 9,173 | 11,968 |
| Fundraising expenses | | | 44,268 | 44,268 | - |
| Insurance | 780 | 6,165 | 142 | 7,087 | 4,705 |
| Interest expense | - | 368 | - | 368 | 473 |
| Miscellaneous | - | 33,986 | - | 33,986 | 27,153 |
| Newsletter | 2,016 | 2,901 | - | 4,917 | 3,727 |
| Occupancy | 5,552 | 4,840 | 13,963 | 24,355 | 21,180 |
| Payroll | 217,346 | 118,785 | 78,386 | 414,517 | 404,145 |
| Postage | 8,661 | 1,252 | 522 | 10,435 | 9,430 |
| Professional fees - accounting | - | 6,040 | - | 6,040 | 5,800 |
| Professional fees - other | 59,571 | 19,252 | - | 78,823 | 38,250 |
| Research grants and awards | 524,265 | - | - | 524,265 | 411,655 |
| Software and internet | 2,919 | 3,649 | 66,416 | 72,984 | 65,875 |
| Supplies/office | - | 4,938 | 6,546 | 11,484 | 13,205 |
| Taxes-payroll | 19,793 | 10,818 | 7,138 | 37,749 | 40,296 |
| Telephone/internet communications | 6,582 | 898 | - | 7,480 | 13,140 |
| Website | 27,609 | - | - | 27,609 | 3,281 |
| Total Expenses | \$ 1,016,042 | \$ 249,146 | \$ 217,381 | \$ 1,482,569 | \$ 1,194,815 |

See accompanying notes to financial statements.

THE BRAIN ANEURYSM FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

| | 2018 | 2017 |
|--|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Increase in Net Assets | \$ 109,656 | \$ 59,803 |
| <i>Adjustments to reconcile increase in net assets to net cash provided by operating activities:</i> | | |
| Depreciation | 9,173 | 11,968 |
| Net realized and unrealized (gains) on investments | 66,446 | (81,985) |
| <i>(Increase) decrease in assets</i> | | |
| Receivables | (53,569) | 21,604 |
| Prepaid expenses | 5,446 | 2,010 |
| <i>Increase (decrease) in liabilities</i> | | |
| Accounts payable and other liabilities | (11,781) | (1,306) |
| Deferred revenue | (7,300) | 0 |
| Net Cash Provided by Operating Activities | 118,071 | 12,094 |
| Cash Flows from Investing Activities | | |
| Purchase of Investments | (58,097) | (63,015) |
| Proceeds from sale of investments | 57,174 | 48,212 |
| Purchase of Intangible Assets | 0 | (22,032) |
| Purchase of property and equipment | 0 | (1,365) |
| Net Cash Provided (Used) by Investing Activities | (923) | (38,200) |
| Cash Flows from Financing Activities | | |
| Repayments of note payable | (6,019) | (8,651) |
| Net Cash Provided (Used) by Financing Activities | (6,019) | (8,651) |
| Net Increase (Decrease) in Cash | 111,129 | (34,757) |
| Cash, at Beginning of Year | 194,394 | 229,151 |
| Cash, at End of Year | \$ 305,523 | \$ 194,394 |
| Supplemental Disclosures of Cash Flow Information | | |
| Cash paid during the year for: | | |
| Interest | \$ 368 | 473 |

See accompanying notes to financial statements.

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Brain Aneurysm Foundation, Inc., (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Business

The Organization is a Non-Profit Organization established in Boston, Massachusetts in 1994. The Foundation developed from the close relationship between patients and healthcare professionals who identified the need for comprehensive information and support for brain aneurysm patients, their families and the medical community. The mission of the Organization is to provide support networks and educational resources to raise public awareness regarding early detection and treatment of brain aneurysms, as well as to sponsor medical research on the causes and treatment of brain aneurysms. The Foundation receives its support from voluntary donations and fundraising events.

Financial Statement Presentation

The Organization accounts for contributions received and presents its financial statements in accordance with Financial Accounting Standards Board Accounting Standards Codification No. 958 (ASC 958), *Not-for-Profit Entities*. In accordance with ASC 958, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and/or nature of any donor restrictions. Additionally, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At December 31, 2018 and 2017, the Organization had no permanently restricted net assets.

Method of Accounting

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

The accounts of the Organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined and presented for the Organization as a whole in accordance with Accounting Standards for *Not-For-Profit Entities – Presentation of Financial Statements*.

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers as “cash equivalents” all highly liquid debt instruments purchased with a maturity date of three months or less.

Investments

The Organization reflects investments at fair value in the statement of financial position. Interest, dividends, and gains and losses on investments are reflected in the Statements of Activities as increases and decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. Gains and investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in unrestricted net assets if the restrictions are met in the same year in which the gains and income are recognized.

Contributions and Unconditional Promises to Give

The Organization reports contributions received in accordance with accounting standards *Not-For-Profit Entities – Receivables*. Under this accounting standard, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily- or permanently-restricted net assets, depending on the nature of the restrictions. When a restriction is met, temporarily-restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years’ experience and management’s analysis of specific promises made.

Advertising Costs

The Organization’s policy is to charge advertising costs to expense as incurred.

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Property and Equipment

Property and Equipment are recorded at cost. Equipment is capitalized if it has a cost of \$1,000 or more and a useful life when acquired of more than 1 year. Depreciation is provided on a straight-line basis over the estimated lives of the assets. Maintenance and repairs are expensed as incurred while major additions and improvements are capitalized. The estimated useful life of the assets is as follows:

| | |
|-------------------------|-----------|
| Software | 3 years |
| Furniture and Equipment | 5-7 years |

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.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income tax has been made.

Additionally, the Organization qualifies for charitable contribution deductions under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization evaluates all significant tax positions as required by generally accepted accounting principles in the United States. As of December 31, 2018, the Organization does not believe that it has taken any tax positions that would require the recording of any tax liabilities, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Organization's tax returns are subject to examination by the appropriate taxing jurisdictions. As of December 31, 2018, the Organization's federal and state returns are open for the last three years.

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Donated Services

Donated services are recognized as contributions in accordance with ASC 958 if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No amounts have been reflected in the financial statements for donated services since services received do not meet the aforementioned criteria; however, a number of volunteers have donated time to the Organization's activities.

Concentration of Credit Risk

The Organization maintains its cash balances at a financial institution located in Massachusetts. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization also maintains certain money funds at a brokerage firm that is insured by Securities Investor Protection Corporation (SIPC).

On December 31, 2018 the Organization had no uninsured balance.

Functional Allocation of Expense

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

Compensated Absences

Employees of the Organization are entitled to paid vacations, sick days and other time off depending on job classification, length of service and other factors. The Organization's policy is to recognize the costs of compensated vacation and sick time when paid to employees.

Fair Value of Financial Instruments

The carrying amounts of financial instruments including cash, certificates of deposit, and accounts payable approximated fair value as of December 31, 2018 and 2017.

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

Restrictions on Asset

Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions-Contributions and all other revenue sources that are not subject to donor-imposed stipulations. Net assets without donor's restrictions may be used at the discretion of management to support the mission of the Organization.

Net Assets With Donor Restrictions-Contributions that are available for uses, but expendable only for those purposes specified by the grantor or restricted by the passage of time, or maintained permanently by the Organization.

Release of Restrictions

When a restriction expires or is fulfilled, restricted assets are reclassified to net assets without donor restrictions.

NOTE 2 - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

| | <u>2018</u> | <u>2019</u> |
|---------------------------|------------------|-----------------|
| Due from events and grant | \$ 53,961 | \$ 1,750 |
| Due from BAF Canada | 1,292 | 75 |
| Due from employees | <u>309</u> | <u>168</u> |
| Totals | <u>\$ 55,562</u> | <u>\$ 1,993</u> |

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 3 – INVESTMENTS AND FAIR MARKET MEASUREMENTS

The Organization maintains certain investment accounts. The future proceeds from these accounts are intended to support the operations of the Organization. The Organization investment objective is the preservation of capital and moderate growth.

Investments, stated at fair value, consist of mutual funds, equities and a market ETF and common stock fund. The fair value of investments has been determined by quoted market values in active markets. The mutual funds in which the Organization invests are reported at the net asset value made publicly available daily, at which redemptions and investments take place for the following day.

There are no investment fees paid directly to the investment advisor. Fees are included in the mutual funds expense ratio.

Board-designated investments at December 31, 2018 and 2017 consisted of the following:

| | 2018 | | 2017 | |
|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Cost | Fair Value | Cost | Fair Value |
| Domestic equities | \$ 89,337 | \$ 108,745 | \$ 83,073 | \$ 112,861 |
| Domestic ETFs | 350,830 | 460,712 | 341,247 | 514,311 |
| Foreign ETFs | 40,760 | 38,100 | 40,760 | 45,910 |
| | | | | |
| Total | <u>\$ 480,927</u> | <u>\$ 607,557</u> | <u>\$ 465,080</u> | <u>\$ 673,082</u> |

Investment Returns

| | 2018 | 2017 |
|-------------------------------|--------------------|------------------|
| Dividends and interest | \$ 4,976 | \$ 12,040 |
| Net realized gains (Losses) | 10,343 | (33,922) |
| Net unrealized gains (losses) | <u>(70,373)</u> | <u>115,907</u> |
| | | |
| Total investment return | <u>\$ (55,054)</u> | <u>\$ 94,025</u> |

Investments are measured at fair value. Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of the fair value hierarchy are as follows:

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 3 – INVESTMENTS AND FAIR MARKET MEASUREMENTS -CONTINUED

Level 1 inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.

Level 2 inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 inputs are significant unobservable inputs for the asset or liability. The level of 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 in its entirety.

The following table sets forth by level, within the fair value hierarchy, the Organization's financial instruments at fair value as of:

| December 31, 2018 | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|-------------------|-------------------|----------------|----------------|
| Domestic equities | \$ 108,745 | \$ - | \$ - |
| Domestic ETFs | 460,712 | - | - |
| Emerging ETFs | <u>38,100</u> | <u>-</u> | <u>-</u> |
| Total investments | <u>\$ 607,557</u> | <u>\$ -</u> | <u>\$ -</u> |

| December 31, 2017 | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|-------------------|-------------------|----------------|----------------|
| Domestic equities | \$ 112,861 | \$ - | \$ - |
| Domestic ETFs | 514,311 | - | - |
| Emerging ETFs | <u>45,910</u> | <u>-</u> | <u>-</u> |
| Total investments | <u>\$ 673,082</u> | <u>\$ -</u> | <u>\$ -</u> |

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – PLEDGES RECEIVABLE

Pledges receivable represent donors' promises to pay contributions to the Organization and are measured at the present value of estimated future cash flows. At December 31, 2018 there were no pledges receivable.

NOTE 5 - PREPAID EXPENSES

Prepaid expenses consist of deposits for 2019 events paid in 2018 and refundable deposits.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and Equipment consists of the following at December 31, 2018 and 2017:

| | 2018 | 2017 |
|------------------------------|-----------|-----------|
| Equipment | \$ 22,576 | \$ 22,576 |
| Software | 39,442 | 39,442 |
| Accumulated Depreciation | (56,713) | (47,542) |
| Property and Equipment - Net | \$ 5,305 | \$ 14,476 |

Depreciation expense for the years ended December 31, 2018 and 2017 was \$9,173 and \$11,968 respectively.

NOTE 7 – LONG-TERM DEBT

Long-term debt at December 31, 2018 and 2017 consisted of the following:

| | 2018 | 2017 |
|---|------|----------|
| A note payable to Balboa Capital in monthly payments of principle and interest (5.15%) of \$767 started August 2015. The note matured in July 2018. | \$ - | \$ 6,019 |
| Less current portion | - | 6,019 |
| Long term portion | \$ - | \$ - |

THE BRAIN ANEURYSM FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 8 – RESTRICTIONS ON ASSETS

The Organization's Board of Directors has not chosen to place any limitation on unrestricted net assets.

NOTE 9 – OPERATING LEASE

In September 2016, the Company entered into a three year lease agreement for its office space. Monthly rent is \$1,765. Rent for the years ended December 31, 2018 and 2017 was \$21,180 and \$21,180, respectively.

Minimum future lease payments on the leases at December 31, 2018, are as follows:

| | |
|-------|------------------|
| 2018 | \$ 21,180 |
| Total | <u>\$ 21,180</u> |

NOTE 10 - LIQUIDITY MANAGEMENT

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follow:

| | |
|----------------------------|-------------------|
| Cash | \$ 305,523 |
| Investment for current use | 607,557 |
| Accounts receivable | <u>6,025</u> |
| Total | <u>\$ 919,105</u> |

NOTE 11 - RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with current presentation.

NOTE 12 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through October 24, 2019, the date the financial statements were available to issue. No events occurred during that time which required disclosure.