

**THE PARENT PROJECT FOR MUSCULAR  
DYSTROPHY RESEARCH, INC.  
FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

**THE PARENT PROJECT FOR MUSCULAR  
DYSTROPHY RESEARCH, INC.  
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YEARS ENDED DECEMBER 31, 2018 AND 2017**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
The Parent Project for Muscular  
Dystrophy Research, Inc.

### Report on the Financial Statements

I have audited the accompanying financial statements of The Parent Project for Muscular Dystrophy Research, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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 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 Parent Project for Muscular Dystrophy Research, Inc. as of December 31, 2018 and 2017, 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.

A handwritten signature in blue ink that reads 'James M. Wood, CPA'.

April 26, 2019  
Hillsborough, NJ

James M. Wood, Certified Public Accountant  
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**THE PARENT PROJECT FOR MUSCULAR DYSTROPHY RESEARCH, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash & cash equivalents	\$ 4,748,070	\$ 3,480,330
Grants receivable	283,578	427,997
Pledges & accounts receivable	504,681	597,593
Employee advances	3,168	6,806
Merchandise inventory	12,452	25,378
Prepaid grants	-	41,667
Prepaid expenses	124,003	147,612
	<u>5,675,952</u>	<u>4,727,383</u>
<b>Property &amp; equipment</b>		
Office equipment	111,231	101,315
Office furniture	37,810	37,810
Leasehold improvements	6,180	6,180
	<u>155,221</u>	<u>145,305</u>
Less accumulated depreciation	<u>(121,011)</u>	<u>(106,502)</u>
	34,210	38,803
<b>Other assets</b>		
Security deposit	22,607	22,607
	<u>22,607</u>	<u>22,607</u>
	<u>\$ 5,732,769</u>	<u>\$ 4,788,793</u>
<b>Liabilities &amp; Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable & accrued expenses	\$ 150,381	\$ 69,507
Grants received in advance	1,547,974	808,351
Research grants payable	265,421	524,866
	<u>1,963,776</u>	<u>1,402,724</u>
<b>Net assets</b>		
Without donor restrictions	3,768,993	3,386,069
	<u>3,768,993</u>	<u>3,386,069</u>
	<u>\$ 5,732,769</u>	<u>\$ 4,788,793</u>

See accompanying notes to financial statements.

**THE PARENT PROJECT FOR MUSCULAR DYSTROPHY RESEARCH, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018			2017		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
<b>Public Support</b>						
Contributions	\$ 3,519,746	\$ 2,773,566	\$ 6,293,312	\$ 5,404,686	\$ 614,914	\$ 6,019,600
Grants	1,317,052	-	1,317,052	1,703,581	-	1,703,581
Conference income	319,960	-	319,960	294,431	-	294,431
Fees for service	123,539	-	123,539	172,000	-	172,000
Special events						
Gross income	1,400,568	-	1,400,568	1,413,098	-	1,413,098
Direct expense	(383,625)	-	(383,625)	(271,515)	-	(271,515)
	1,016,943	-	1,016,943	1,141,583	-	1,141,583
	6,297,240	2,773,566	9,070,806	8,716,281	614,914	9,331,195
<b>Investment Income</b>						
Interest & dividends	1,654	-	1,654	1,560	-	1,560
Loss on sale of donated securities	(1,301)	-	(1,301)	(314)	-	(314)
	353	-	353	1,246	-	1,246
	6,297,593	2,773,566	9,071,159	8,717,527	614,914	9,332,441
Assets released from restriction	2,773,566	(2,773,566)	-	1,948,877	(1,948,877)	-
Total income	9,071,159	-	9,071,159	10,666,404	(1,333,963)	9,332,441
<b>Functional Expenses</b>						
Program services						
Research	5,567,449	-	5,567,449	6,084,610	-	6,084,610
Education	1,453,468	-	1,453,468	1,416,990	-	1,416,990
Advocacy	512,130	-	512,130	394,574	-	394,574
	7,533,047	-	7,533,047	7,896,174	-	7,896,174
Supporting services						
Management & general	463,572	-	463,572	511,511	-	511,511
Fund raising	691,616	-	691,616	695,074	-	695,074
	1,155,188	-	1,155,188	1,206,585	-	1,206,585
Total expenses	8,688,235	-	8,688,235	9,102,759	-	9,102,759
Increase (decrease) in net assets	382,924	-	382,924	1,563,645	(1,333,963)	229,682
Net assets, beginning of year	3,386,069	-	3,386,069	1,822,424	1,333,963	3,156,387
Net assets, end of year	\$ 3,768,993	\$ -	\$ 3,768,993	\$ 3,386,069	\$ -	\$ 3,386,069

See accompanying notes to financial statements.

**THE PARENT PROJECT FOR MUSCULAR DYSTROPHY RESEARCH, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2018 WITH COMPARATIVE TOTALS FOR 2017**

	2018				2017				
	Program Services				Supporting Services				
	Research	Education	Advocacy	Total	Management & General	Fund Raising	Total	Total Expenses	2017 Total
Salaries	\$ 1,047,711	\$ 609,001	\$ 140,359	\$ 1,797,071	\$ 179,152	\$ 355,328	\$ 534,480	\$ 2,331,551	\$ 2,131,993
Payroll tax & fringe benefits	180,184	100,021	22,831	303,036	18,921	58,787	77,708	380,744	344,231
	<u>1,227,895</u>	<u>709,022</u>	<u>163,190</u>	<u>2,100,107</u>	<u>198,073</u>	<u>414,115</u>	<u>612,188</u>	<u>2,712,295</u>	<u>2,476,224</u>
Grants	2,393,393	-	-	2,393,393	-	-	-	2,393,393	4,162,350
Accounting fees	-	-	-	-	18,713	-	18,713	18,713	15,000
Conferences & meetings	105,609	475,032	116,193	696,834	3,757	1,359	5,116	701,950	607,843
Legal counsel	107,590	5,224	1,159	113,973	4,779	3,093	7,872	121,845	57,501
Bank charges	-	-	-	-	50,907	18,133	69,040	69,040	58,555
Fees & permits	30,092	449	1,093	31,634	14,656	12,784	27,440	59,074	39,524
Insurance	7,287	5,403	734	13,424	6,030	3,235	9,265	22,689	23,355
Human resources support	-	-	-	-	-	-	-	-	17,711
Office expenses & supplies	28,340	9,344	2,497	40,181	21,953	7,111	29,064	69,245	53,530
Technology	117,777	15,577	3,662	137,016	47,237	109,139	156,376	293,392	306,197
Rent	52,012	57,163	3,780	112,955	7,195	32,994	40,189	153,144	148,065
Postage & shipping	7,521	7,616	1,253	16,390	2,235	5,990	8,225	24,615	31,315
Printing & publications	24,603	7,613	3,792	36,008	13,912	16,874	30,786	66,794	33,814
Consulting expense	1,114,972	94,611	172,268	1,381,851	33,396	14,900	48,296	1,430,147	640,147
Telephone	18,871	10,968	2,528	32,367	3,225	6,400	9,625	41,992	45,812
Utilities	4,571	6,443	386	11,400	2,496	3,460	5,956	17,356	22,858
Merchandise	2,170	5,336	238	7,744	16,841	3,907	20,748	28,492	34,979
Travel	278,302	37,032	36,158	351,492	10,390	33,077	43,467	394,959	273,643
Meals	39,924	2,845	2,325	45,094	6,663	2,834	9,497	54,591	34,452
Translation & outreach	5,560,929	1,449,678	511,256	7,521,863	462,458	689,405	1,151,863	8,673,726	9,083,003
Depreciation	6,520	3,790	874	11,184	1,114	2,211	3,325	14,509	19,756
Total functional expenses	\$ 5,567,449	\$ 1,453,468	\$ 512,130	\$ 7,533,047	\$ 463,572	\$ 691,616	\$ 1,155,188	\$ 8,688,235	\$ 9,102,759

See accompanying notes to financial statements.

**THE PARENT PROJECT FOR MUSCULAR DYSTROPHY RESEARCH, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2017**

2017

	Program Services				Supporting Services			Total Expenses
	Research	Education	Advocacy	Total	Management & General	Fund Raising	Total	
Salaries	\$ 828,188	\$ 702,404	\$ 103,591	\$ 1,634,183	\$ 157,103	\$ 340,707	\$ 497,810	\$ 2,131,993
Payroll tax & fringe benefits	216,659	56,845	17,898	291,402	26,112	26,717	52,829	344,231
	<u>1,044,847</u>	<u>759,249</u>	<u>121,489</u>	<u>1,925,585</u>	<u>183,215</u>	<u>367,424</u>	<u>550,639</u>	<u>2,476,224</u>
Grants	4,162,350	-	-	4,162,350	-	-	-	4,162,350
Accounting fees	-	-	-	-	15,000	-	15,000	15,000
Conferences & meetings	28,927	514,511	59,924	603,362	4,481	-	4,481	607,843
Legal counsel	50,263	-	-	50,263	7,238	-	7,238	57,501
Bank charges	-	-	-	-	6,667	51,888	58,555	58,555
Fees & permits	13,823	2,086	2,261	18,170	6,295	15,059	21,354	39,524
Insurance	9,342	7,474	1,168	17,984	1,868	3,503	5,371	23,355
Human resources support	-	-	-	-	17,711	-	17,711	17,711
Office expenses & supplies	26,889	6,013	270	33,172	18,740	1,618	20,358	53,530
Technology	82,703	650	-	83,353	113,935	108,909	222,844	306,197
Rent	109,215	14,622	5,456	129,293	11,520	7,252	18,772	148,065
Postage & shipping	5,136	67	92	5,295	20,666	5,354	26,020	31,315
Printing & publications	19,987	9,483	33	29,503	1,293	3,018	4,311	33,814
Consulting expense	303,856	23,471	169,425	496,752	75,895	67,500	143,395	640,147
Telephone	6,520	18,043	938	25,501	13,298	7,013	20,311	45,812
Utilities	8,915	7,545	1,143	17,603	1,600	3,655	5,255	22,858
Merchandise	247	-	-	247	-	34,732	34,732	34,979
Travel	183,447	44,941	28,765	257,153	4,714	11,776	16,490	273,643
Meals	20,310	2,316	2,622	25,248	5,992	3,212	9,204	34,452
Translation & outreach	128	-	-	128	-	-	-	128
	<u>6,076,905</u>	<u>1,410,471</u>	<u>393,586</u>	<u>7,880,962</u>	<u>510,128</u>	<u>691,913</u>	<u>1,202,041</u>	<u>9,083,003</u>
Depreciation	7,705	6,519	988	15,212	1,383	3,161	4,544	19,756
Total functional expenses	\$ <u>6,084,610</u>	\$ <u>1,416,990</u>	\$ <u>394,574</u>	\$ <u>7,896,174</u>	\$ <u>511,511</u>	\$ <u>695,074</u>	\$ <u>1,206,585</u>	\$ <u>9,102,759</u>

See accompanying notes to financial statements.

**THE PARENT PROJECT FOR MUSCULAR DYSTROPHY RESEARCH, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 382,924	\$ 229,682
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	14,509	19,756
Loss on sale of donated securities	1,301	314
Receipt of gifts of marketable securities	(198,320)	(865,191)
(Increase) decrease in:		
Grants receivable	144,419	(114,128)
Pledges & accounts receivable	92,912	(169,254)
Employee advances	3,638	(1,877)
Merchandise inventory	12,926	(11,985)
Prepaid grants	41,667	99,108
Prepaid expenses	23,609	(62,929)
Increase (decrease) in:		
Accounts payable & accrued expenses	80,874	(12,895)
Grants received in advance	739,623	39,341
Research grants payable	(259,445)	24,866
	<u>1,080,637</u>	<u>(825,192)</u>
<b>Cash provided by (used in) operating activities</b>		
<b>Cash flows from investing activities</b>		
Acquisition of fixed assets	(9,916)	(6,917)
Proceeds from sale of investments received as contributions	197,019	864,877
	<u>187,103</u>	<u>857,960</u>
<b>Cash provided by investing activities</b>		
<b>Net increase in cash &amp; cash equivalents</b>	1,267,740	32,768
<b>Cash &amp; cash equivalents</b>		
Beginning of year	<u>3,480,330</u>	<u>3,447,562</u>
End of year	\$ <u><u>4,748,070</u></u>	\$ <u><u>3,480,330</u></u>



**THE PARENT PROJECT FOR MUSCULAR  
DYSTROPHY RESEARCH, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

**(1) Summary of Significant Accounting Policies**

*Nature of activities*

The Parent Project for Muscular Dystrophy Research, Inc. (the Parent Project) raises funds for research programs to find a viable treatment and cure specifically for children afflicted with Duchenne and Becker Muscular Dystrophy. The Organization also educates parents, health care providers, and the general public about Muscular Dystrophy through conferences, pamphlets, and brochures. In addition, a legislative conference is sponsored for the purpose of educational advocacy and the Organization indirectly influences the National Institutes of Health (NIH) implementation of the MD Care Act through outside consultants. The Organization operates throughout the United States, but collaborates with organizations around the world.

*Basis of presentation*

In accordance with generally accepted accounting principles, the Parent Project reports its statements of financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. As of December 31, 2018 and 2017, the Parent Project has only net assets without donor restrictions.

*Cash & cash equivalents*

The financial statement item "cash & cash equivalents" consists of demand deposits, including money market funds, in depository financial institutions.

*Contributions*

Contributions received are recognized as revenue when pledged. Contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor-imposed conditions.

*Grants*

Grants are recorded as revenue during the period for which the funds are intended or the related activity occurs. Amounts received in advance are deferred into the intended period. Grants are defined as the receipt of funds where the grantor expects provision of certain services of commensurate value.

*Premises & equipment*

Acquisitions of premises and equipment with estimated useful lives in excess of one year are capitalized and depreciated over the estimated useful life of each asset. Leasehold improvements are amortized over the life of the asset or the length of the lease, whichever is shorter.

*Functional expenses*

Expenses are charged to each program based on direct expenditures incurred. Any expenses not directly chargeable are allocated to programs and supporting services based on applicable rates determined by management.

*Use of estimates*

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

**THE PARENT PROJECT FOR MUSCULAR  
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NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

*Reclassifications*

Certain items in the 2017 financial statements have been reclassified to conform with current year presentation.

*Concentrations of credit and funding risk*

Financial instruments that potentially expose the Parent Project to concentrations of credit and market risk consist primarily of cash equivalents. Cash equivalents are maintained at high-quality financial institutions, and credit exposure is limited to any one institution. The Parent Project has not experienced any losses on its cash or cash equivalents.

*Research grants*

The Parent Project recognizes the liability for research grants when grants are awarded as stipulated under the research grant agreements. Liabilities of \$265,421 and \$524,866 were recognized according to the outstanding research grant agreements at December 31, 2018 and 2017, respectively. In certain instances, the Parent Project will make grant payments in advance of research being performed, which results in prepaid grants being recorded as an asset. Prepaid grants were \$ 0 and \$41,667 at December 31, 2018 and 2017, respectively.

*Merchandise inventory*

Merchandise inventory is stated at lower-or-cost or market, determined by specific identification.

*Accounting for uncertainty in income taxes*

The Parent Project's accounting policy is to disclose contingencies relating to uncertain tax positions when a liability is probable and estimable. The Parent Project is not aware of any violation of tax status or exposure to uncertain tax positions that could require disclosure or which could affect its liquidity or future cash flows. The Parent Project's exempt organization filings for the years ended December 31, 2015 through 2018 are subject to examination by the Internal Revenue Service. Further, the Internal Revenue Service may examine the Parent Project's financial activities for income and unrelated business income tax for those years.

*New accounting pronouncements*

During the year ended December 31, 2018, the Parent Project implemented Financial Accounting Standards Board (FASB) Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Accordingly, unrestricted net assets have been re-titled as net assets without donor restrictions. Temporarily restricted net assets have been re-titled as net assets with donor restrictions. Additional disclosures are included in the areas of liquidity and net assets, both with and without donor restrictions.

The Financial Accounting Standards Board (FASB) issued Update No. 2016-02, *Leases* (Topic 842), in February 2016. Under this guidance, lessees are required to record most leases on their balance sheets but recognize expenses in the income statement. All entities will classify leases to determine how to recognize lease-related revenue and expense. In applying this guidance, entities must also determine whether an arrangement contains a lease or service agreement. Disclosures are required by lessees and lessors to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The amendments in this Update are effective for fiscal years beginning after December 15, 2019 and for interim periods within fiscal years beginning after December 15, 2020. Management is evaluating the impact of this updated guidance on its financial statements.

**THE PARENT PROJECT FOR MUSCULAR  
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In May 2014, the FASB issued ASU 2014-10, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in US GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2-15-14, *Revenue from Contracts with Customers (Topic 606) - Deferral of the Effective Date*, which defers the effective date of ASU 2014-09 by one year. The updated standard will be effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016. Management is evaluating the impact the updated standard will have on the financial statements.

The Financial Accounting Standards Board (FASB) issued Update No 2016-18, *Statement of Cash Flows (Topic 230) Restricted Cash*, in November 2016, requiring a statement of cash flows to explain the change during the period in total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash or cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments in this Update are effective for fiscal years beginning after December 31, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, and the Update should be applied using a retrospective transition method to each period presented. Management is evaluating the impact the updated standard will have on the financial statements.

The Financial Accounting Standards Board (FASB) issued Update No. 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*, in June 2018. The amendments in the update assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) with the scope of Topic 958 or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The amendments in this update are effective for fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Management is evaluating the impact the updated standard will have on the financial statements.

**(2) Operating Lease Commitments**

The Parent Project is obligated under the terms of leases for office space, an apartment in New York, and certain equipment as follows:

<u>Year ending December 31</u>	
2019	\$150,951
2020	111,995
2021	<u>53,761</u>
	<u>\$316,707</u>

Rent expense totaled \$153,143 and \$148,065 for the years ended December 31, 2018 and 2017, respectively.

**(3) Retirement Plan**

The Parent Project sponsors a 401(k) profit sharing plan covering substantially all employees. The Parent Project contributes a base amount of 3% of eligible compensation and matches up to an additional 1% of employee elective deferrals. Employees are eligible to participate on their first day of work. For the years ended December 31, 2018 and 2017, contributions to the plan totaled \$90,600 and \$81,865, respectively.

**THE PARENT PROJECT FOR MUSCULAR  
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NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

**(4) Income Tax Status**

The Parent Project qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for income taxes. All applicable returns for the exempt organization are filed in a timely manner. The Parent Project is liable for payment of payroll taxes as an employer; all such amounts are paid in a timely manner as required by state and federal regulations

**(5) Special Events**

During the years ended December 31, 2018 and 2017, the Parent Project held various events with the following results:

	<u>2018</u>	<u>2017</u>
Gross revenue	\$1,400,568	\$1,413,098
Direct expense	( 383,625)	( 271,515)
	<u>\$1,016,943</u>	<u>\$ 1,141,583</u>

**(6) Line of credit**

The Parent Project has a \$250,000 line of credit with a bank which is subject to renewal in July 2019. Interest on the outstanding balance accrues at the rate of 8%. The Parent Project had no outstanding balance on the line of credit as of December 31, 2018 and 2017.

**(7) Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are comprised of the following as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$4,748,070	\$3,480,330
Grants receivable	283,578	427,997
Pledges and accounts receivable	<u>504,681</u>	<u>597,593</u>
Total financial assets	<u>\$5,536,329</u>	<u>\$4,505,920</u>

As part of the Parent Project's liquidity management plan, cash in excess of daily requirements is invested in interest-bearing demand deposits.

**(8) Management Evaluation of Subsequent Events**

Management has evaluated subsequent events through April 26, 2019, the date which the financial statements are available to be issued.