

**BRAIN INJURY ASSOCIATION OF  
KANSAS AND GREATER KANSAS CITY**

**FINANCIAL STATEMENTS  
with  
INDEPENDENT AUDITOR'S REPORT**

**December 31, 2021 and 2020**

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## INDEPENDENT AUDITOR'S REPORT

To Board of Directors and Management  
Brain Injury Association of Kansas and Greater Kansas City  
Overland Park, Kansas

### Opinion

We have audited the accompanying financial statements of Brain Injury Association of Kansas and Greater Kansas City (the "Association") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brain Injury Association of Kansas and Greater Kansas City as of December 31, 2021 and 2020, 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.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

## INDEPENDENT AUDITOR'S REPORT (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Marr and Company*

Marr and Company, P.C.  
Certified Public Accountants

Kansas City, Missouri  
January 20, 2023

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**STATEMENTS OF FINANCIAL POSITION**

As of December 31, 2021 and 2020

<b>ASSETS</b>	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash	\$ 57,668	\$ 107,081
Grant receivable	71,211	50,119
Other receivable	<u>8,050</u>	<u>0</u>
Total Current Assets	136,929	157,200
Capital assets, net of accumulated depreciation	0	0
Other Assets - deposits	<u>1,477</u>	<u>1,477</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>138,406</u></b>	<b>\$ <u>158,677</u></b>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 3,704	\$ 4,340
Payroll withholdings	350	298
Accrued liabilities	5,495	7,086
Refundable advance	<u>0</u>	<u>31,400</u>
Total Current Liabilities	9,549	43,124
Net Assets:		
Without donor restrictions net assets	102,904	88,410
With donor restricted net assets	<u>25,953</u>	<u>27,143</u>
Total Net Assets	<u>128,857</u>	<u>115,553</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>138,406</u></b>	<b>\$ <u>158,677</u></b>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2021

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<b><u>SUPPORT, REVENUE &amp; OTHER INCOME:</u></b>			
Contributions and grants	\$ 47,033	\$ 0	\$ 47,033
Government grants	21,092	0	21,092
Going the Distance fundraiser	80,192	0	80,192
Other Events income	0	0	0
Conference, seminars and training	39,335	0	39,335
Membership dues	5,435	0	5,435
Miscellaneous income	<u>64,337</u>	<u>0</u>	<u>64,337</u>
Total Support, Revenue & Other Income	257,424	0	257,424
<b><u>EXPENSES:</u></b>			
Program Services:			
Education and awareness	134,613	0	134,613
Information and referral	26,966	0	26,966
Prevention	<u>12,938</u>	<u>0</u>	<u>12,938</u>
Total Program Services	174,517	0	174,517
Supporting Activities:			
General and administrative	34,765	0	34,765
Fundraising	<u>34,838</u>	<u>0</u>	<u>34,838</u>
Total Supporting Activities	<u>69,603</u>	<u>0</u>	<u>69,603</u>
Total Expenses	244,120	0	244,120
Net Assets Released from Restrictions	<u>1,190</u>	<u>(1,190)</u>	<u>0</u>
Change in Net Assets	14,494	(1,190)	13,304
NET ASSETS, BEGINNING OF YEAR	<u>88,410</u>	<u>27,143</u>	<u>115,553</u>
NET ASSETS, END OF YEAR	\$ <u>102,904</u>	\$ <u>25,953</u>	\$ <u>128,857</u>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2020

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<b><u>SUPPORT, REVENUE &amp; OTHER INCOME:</u></b>			
Contributions and grants	\$ 17,604	\$ 0	\$ 17,604
Government grants	81,911	0	81,911
Going the Distance fundraiser	49,080	0	49,080
Other Events income	14,529	0	14,529
Conference, seminars and training	38,570	0	38,570
Membership dues	8,245	0	8,245
Miscellaneous income	<u>951</u>	<u>0</u>	<u>951</u>
Total Support, Revenue & Other Income	210,890	0	210,890
<b><u>EXPENSES:</u></b>			
Program Services:			
Education and awareness	109,175	0	109,175
Information and referral	27,432	0	27,432
Prevention	<u>11,844</u>	<u>0</u>	<u>11,844</u>
Total Program Services	148,451	0	148,451
Supporting Activities:			
General and administrative	33,948	0	33,948
Fundraising	<u>23,419</u>	<u>0</u>	<u>23,419</u>
Total Supporting Activities	<u>57,367</u>	<u>0</u>	<u>57,367</u>
Total Expenses	205,818	0	205,818
Net Assets Released from Restrictions	<u>1,334</u>	<u>(1,334)</u>	<u>0</u>
Change in Net Assets	6,406	(1,334)	5,072
NET ASSETS, BEGINNING OF YEAR	<u>82,004</u>	<u>28,477</u>	<u>110,481</u>
NET ASSETS, END OF YEAR	\$ <u>88,410</u>	\$ <u>27,143</u>	\$ <u>115,553</u>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended December 31, 2021

	Program Services				Supporting Activities			
	Education & <u>Awareness</u>	Information & Referral	Prevention	Total Program Services	General & <u>Administrative</u>	Fundraising	Total Supporting Activities	<u>Totals</u>
Salaries and wages	\$ 56,752	\$ 9,137	\$ 4,706	\$ 70,595	\$ 11,166	\$ 12,366	\$ 23,532	\$ 94,127
Payroll taxes and fees	4,251	684	353	5,288	836	927	1,763	7,051
Employee benefits	8,654	1,393	718	10,765	1,703	1,886	3,589	14,354
Contract labor	651	142	57	850	113	170	283	1,133
Professional development	255	76	0	331	128	51	179	510
Special events	9,323	1,554	1,554	12,431	1,554	17,092	18,646	31,077
Conferences, seminars, & training	38,319	60	0	38,379	0	0	0	38,379
Affiliation fees	1,844	1,844	1,581	5,269	0	0	0	5,269
Liability insurance	965	1,286	418	2,669	386	161	547	3,216
Telephone	435	1,737	145	2,317	289	289	578	2,895
Postage	40	120	10	170	10	20	30	200
Supplies	1,716	1,287	429	3,432	429	429	858	4,290
Accounting and bank fees	0	0	0	0	14,972	0	14,972	14,972
Facility rent	7,192	5,394	2,337	14,923	2,158	899	3,057	17,980
Repairs and maintenance	2,065	487	396	2,948	126	162	288	3,236
Equipment leases	1,497	1,331	166	2,994	166	166	332	3,326
Travel, meals and entertainment	65	51	7	123	14	7	21	144
Dues and subscriptions	403	134	0	537	603	201	804	1,341
Miscellaneous expense	<u>186</u>	<u>249</u>	<u>61</u>	<u>496</u>	<u>112</u>	<u>12</u>	<u>124</u>	<u>620</u>
Total expenses	\$ <u>134,613</u>	\$ <u>26,966</u>	\$ <u>12,938</u>	\$ <u>174,517</u>	\$ <u>34,765</u>	\$ <u>34,838</u>	\$ <u>69,603</u>	\$ <u>244,120</u>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*



**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended December 31, 2020

	<u>Program Services</u>			<u>Total Program Services</u>	<u>Supporting Activities</u>		<u>Total Supporting Activities</u>	<u>Totals</u>
	<u>Education &amp; Awareness</u>	<u>Information &amp; Referral</u>	<u>Prevention</u>		<u>General &amp; Administrative</u>	<u>Fundraising</u>		
Salaries and wages	\$ 57,894	\$ 7,751	\$ 4,795	\$ 70,440	\$ 11,427	\$ 14,024	\$ 25,451	\$ 95,891
Payroll taxes and fees	4,276	572	354	5,202	844	1,036	1,880	7,082
Employee benefits	7,476	1,001	619	9,096	1,476	1,811	3,287	12,383
Contract labor	602	105	52	759	105	183	288	1,047
Professional development	86	25	0	111	42	17	59	170
Special events	7,470	294	294	8,058	294	3,868	4,162	12,220
Conferences, seminars, & training	12,379	1,160	0	13,539	0	0	0	13,539
Awareness, referral & prevention	549	669	0	1,218	0	0	0	1,218
KDADS grant	978	978	0	1,956	0	0	0	1,956
Affiliation fees	1,836	1,836	1,574	5,246	0	0	0	5,246
Liability insurance	913	1,219	396	2,528	365	152	517	3,045
Telephone	460	1,841	153	2,454	307	307	614	3,068
Postage	200	601	50	851	50	100	150	1,001
Supplies	1,603	1,203	401	3,207	401	401	802	4,009
Accounting and bank fees	0	0	0	0	15,320	0	15,320	15,320
Facility rent	7,151	5,363	2,324	14,838	2,145	894	3,039	17,877
Repairs and maintenance	2,731	601	508	3,840	168	211	379	4,219
Equipment leases	1,469	1,306	163	2,938	163	163	326	3,264
Travel, meals and entertainment	369	304	41	714	65	41	106	820
Dues and subscriptions	374	125	0	499	561	187	748	1,247
Miscellaneous expense	<u>359</u>	<u>478</u>	<u>120</u>	<u>957</u>	<u>215</u>	<u>24</u>	<u>239</u>	<u>1,196</u>
Total expenses	\$ <u>109,175</u>	\$ <u>27,432</u>	\$ <u>11,844</u>	\$ <u>148,451</u>	\$ <u>33,948</u>	\$ <u>23,419</u>	\$ <u>57,367</u>	\$ <u>205,818</u>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ 13,304	\$ 5,072
Adjustments to reconcile change in net assets to net cash flows from operating activities –		
Depreciation	0	0
Decrease/(increase) in assets:		
Grant Receivable	(21,092)	15,951
Other Receivable	(8,050)	2,420
Prepaid expenses	0	2,689
Decrease/(increase) in liabilities:		
Accounts payable	(636)	(10,783)
Payroll withholdings	52	0
Accrued liabilities	(1,591)	(2,365)
Deferred Revenue	(31,400)	0
Refundable advance	<u>0</u>	<u>31,400</u>
Net Cash Flows from Operating Activities	<u>(49,413)</u>	<u>44,384</u>
Net change in cash	(49,413)	44,384
CASH, BEGINNING OF YEAR	<u>107,081</u>	<u>62,697</u>
CASH, END OF YEAR	\$ <u>57,668</u>	\$ <u>107,081</u>

*See Accompanying Independent Auditor's Report and Notes to these Financial Statements.*

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2021 and 2020

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# BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

### NOTE 1: NATURE OF OPERATIONS

Brain Injury Association of Kansas and Greater Kansas City (the “Association”) is a 501(c)(3) nonprofit organization. As a chartered affiliate of Brain Injury Association of America, the Association is part of a network of Brain Injury Associations across the nation. The Association provides information, resources and support to survivors of brain injury and their families through the information and referral program. This program provides support to persons with brain injury and their family members by assisting them with identifying and utilizing local state and national resources to improve their quality of life. The Association also provides professional development for those working with survivors of brain injury, along with education on the prevention of brain injury.

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Accounting

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### B. 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

#### C. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect. Management makes a regular assessment of the collectability of outstanding accounts and if deemed necessary, establishes an allowance for uncollectible accounts. As of December 31, 2021 and 2020, the Association considered all receivables fully collectible.

#### D. Capital Assets

Property and equipment are recorded at cost if purchased and fair value if donated. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Repairs and related maintenance are charged to operations as incurred. The Association has capitalized assets with a dollar amount above \$1,000 and a useful life greater than two years. Assets are depreciated using the straight-line method with estimated useful lives ranging from three to seven years.

# BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### E. 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 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 purpose specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. The Association reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed into service. See Note 7 for detail.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) imposed restrictions or law. These net assets may be used at the discretion of the Association's management and the Association's Board of Directors.

#### F. Revenue and Revenue Recognition

The Association recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the Association's revenue is derived from cost-reimbursable state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Association has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

#### G. Deferred Revenue

Revenue received and promised for activities occurring in future periods are deferred and recognized over the periods in which the revenue relates.

# BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### H. In-Kind Contributions and Contributed Services

The Association records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as contributions are offset by like amounts included in expenses. Donated items include food, supplies, and prizes for the Going the Distance for Brain Injury Run (“the Run”, see Note 6) and other program events totaled \$10,293 and \$2,384 for the years ended December 31, 2021 and 2020, respectively.

#### I. Functional Expenses

Functional expenses which cannot readily be related to a specific program are allocated between program expenses and general and administrative expenses based on percentage relationships developed by management. The following is a brief description about the major program services.

##### Education and Awareness

Training, education and professional development events are held throughout the year for Association members and non-members. Events include an annual professional conference, Walk-for-Thought, survivor and family member seminars, and a national certification program.

##### Information and Referral

The Association provides resource materials in various media types including the “Red Book” publication, pamphlets, and internet to interested parties. A program director is utilized to receive phone calls regarding statewide area resources.

##### Prevention

Bicycle helmets are provided free to children in need. Children are educated on the importance of protecting their brains, fitted with the proper helmet and educated on helmet safety and wearing it correctly. Helmets are requested through website application, by phone or by mail. Children are fitted at school assemblies, bike rodeos and community safety fairs.

#### J. Income Taxes

The Association is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Association has been classified as a publicly-supported entity, which is not a private foundation under Section 509(a) of the Code. The Association’s policy is to record a liability for any tax provision that is beneficial to the Association, including any related interest and penalties, when it is more likely than not the position taken by management with respect to the transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes there are no such positions as of December 31, 2021, and accordingly, no liability has been accrued.

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2021 and 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Subsequent Events

Subsequent events have been evaluated up to January 20, 2023, which is the date the financial statements were available to be issued.

NOTE 3: 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 date, comprise of the following:

Cash	\$ 57,668
Receivables	<u>79,261</u>
Total financial assets	136,929
Less restrictions and designations	<u>(25,953)</u>
Net available financial assets	\$ <u>110,976</u>

NOTE 4: RECEIVABLES

Receivables consisted of the following at December 31, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Membership dues	\$ 2,000	\$ 0
Promises to give	<u>6,050</u>	0
	\$ <u>8,050</u>	\$ <u>0</u>

All receivables were received within 90 days subsequent to fiscal year end and accounts were paid in full.

NOTE 5: CAPITAL ASSETS

Capital assets consisted of the following at December 31, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Office furniture and equipment	\$ 2,662	\$ 3,392
Less accumulated depreciation	<u>2,662</u>	<u>3,392</u>
	\$ <u>0</u>	\$ <u>0</u>

Depreciation expense was \$0 for the years ended December 31, 2021 and 2020, respectively.

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 6: REFUNDABLE ADVANCE

*U.S. Small Business Administration Loan – Payroll Protection Program*

The Association signed a note payable with the U.S. Small Business Administration on April 24, 2020 for \$31,400 with a maturity date of April 24, 2022, the first payment deferred for six months, and annual interest rate of 1.0%. The Association signed a second note payable with the U.S. Small Business Administration on April 01, 2021 for \$32,196 with a maturity date of April 01, 2023, the first payment deferred for six months, and annual interest rate of 1.0%. These notes were available through the Paycheck Protection Program (the “PPP”) as a part of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) that offers cash-flow assistance to nonprofit and small business employers through guaranteed loans for certain expenses incurred during prescribed periods. The PPP loans did not require collateral or personal guarantees and offers the ability to have a substantial portion of the principal amount forgiven when the Association uses the proceeds on eligible costs. The Association reported the loans as a refundable advance in the financial statements and recognized income in the period when the forgiveness became official from the SBA. The Association filed for loan forgiveness to receive the official legal release and forgiveness from the SBA and was notified the principal and interest was forgiven on February 5, 2021 for the first PPP loan and October 22, 2021 for the second PPP loan.

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Bicycle helmets	\$ 12,919	\$ 12,919
CRM database software	5,308	5,776
Website redesign, marketing video	<u>7,726</u>	<u>8,448</u>
	\$ <u>25,953</u>	\$ <u>27,143</u>

Net assets released from restrictions for the following purposes during the years ended December 31, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Bicycle helmets	\$ 0	\$ 0
CRM database software	468	468
Website redesign, marketing video	<u>722</u>	<u>866</u>
	\$ <u>1,190</u>	\$ <u>1,334</u>

NOTE 8: CONCENTRATION OF REVENUE

The Association hosts several fundraising and program events throughout the year to raise money and awareness of traumatic brain injury. The largest revenue-generating event is the Going the Distance for Brain Injury Run, which is typically held annually on Memorial Day weekend in May. This fundraising event represented 31.2% and 23.3% of without donor restrictions revenues for 2021 and 2020, respectively. The inability to hold this event in the future could have a negative impact on the operations of the organization.



**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 9: LEASE OBLIGATIONS

*Office Equipment*

The Association leases various types of office equipment with terms ending in various intervals through December 2022. The leasing expense for the years ended December 31, 2021 and 2020 were \$3,326 and \$3,264, respectively.

*Office Space*

The Association occupies its present location under a noncancellable lease that was renewed in November 2021. The previous lease term began September 1, 2018 for 39 months ending November 30, 2021 with escalating rent payments once each year and included three months of base rent of \$0. The straight-line rent calculation created a deferred rent expense of \$1,592 as of December 31, 2020. The current amended lease term began December 1, 2021 for 50 months ending February 28, 2025 with escalating rent payments at various intervals during term. The leasing expense for the years ended December 31, 2021 and 2020 was \$17,980 and \$17,877, respectively.

Future minimum lease payments are as follows.

<u>Year Ending</u> <u>December 31,</u>	<u>Office</u> <u>Equipment</u>	<u>Office</u> <u>Space</u>	<u>Totals</u>
2022	\$ 2,603	\$ 13,637	\$ 16,240
2023	0	17,302	17,302
2024	0	17,545	17,545
2025	<u>0</u>	<u>2,931</u>	<u>2,931</u>
Total	\$ <u>2,603</u>	\$ <u>51,415</u>	\$ <u>54,018</u>

NOTE 10: GOVERNMENT GRANT REVENUE

The Association was awarded a pass-through grant from the Administration for Community Living (ACL) and the Kansas Department for Aging and Disability Services (KDADS) in 2018 to create and strengthen a system of services and supports that maximizes the independence, well-being, and health of Kansans with Traumatic Brain Injury across the lifespan, their families, and their caregivers. During 2020, the Association was awarded an additional pass-through grant from the ACL and KDADS with a term that ended on May 31, 2021. The maximum grant award was \$217,868 that required \$123,608 in matching funds from the Association's non-federal sources to receive the full allocation. During 2021, the Association was awarded an additional pass-through grant from the ACL and KDADS with a term ending on July 31, 2026. The maximum grant award is \$176,730 and requires \$100,089 in matching funds from the Association's non-federal sources to receive the full allocation. Grant revenue was \$21,092 and \$71,911 for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, the Association was owed \$71,211 and \$50,119 relating to these contracts, respectively.

**BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2021 and 2020

**NOTE 11: RELATED PARTY TRANSACTION**

*National Affiliation*

The Association is affiliated with the Brain Injury Association of America. As part of the affiliation agreement, the Association is required to remit an annual fee to the national association which provides training, educational material, and other assistance for a twelve-month period effective from January 1<sup>st</sup> each year. The Association had expenses of \$5,269 and \$5,246, respectively, to the BIAA for the years ended December 31, 2021 and 2020. A subsequent 2022 affiliation agreement was signed by the Association with a calculated fee totaling \$4,516.

**NOTE 12: RETIREMENT PLAN**

The Association maintains a defined contribution pension plan for all employees with one year of eligible service which is a qualified employee benefit plan under Internal Revenue Code Section 403(b). The Association contributes two percent (2%) of gross compensation. Employer contributions made to the plan during the years ended December 31, 2021 and 2020 were \$1,828 and \$1,912, respectively.